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Heads Shipping Federation

—Photo by Nakash.

New president of the Shipping Federation of Canada, voice of Canada's merchant fleet operators, is Albert Leslie Lawes, president, Montreal Shipping Co. An important figure in Canadian shipping for a quarter of a century, Lawes helped organize Canadian shipping at Ottawa for the war, later served in Washington as representative of the Canadian Shipping Board. (Personality sketch on p. 6.)

THE NATION'S BUSINESS

Let's Get Realism Into the CNR

For Donald Gordon's aim of cleaning up the mess which is the Canadian National Railway's debt there will be general approbation. As to whether his refinancing plan is the best one, there will be much less agreement.

But as the debate rages among the people who know a lot, who know a little and who know nothing at all about this matter, here are fundamental principles on which any sound solution must be based:

1. The reorganization should eliminate the present hocus-pocus in which both the railway and the taxpaying public which have to meet the losses get only the vaguest chance of discerning how actually the railway is doing.

Whether for a peanut stand or a great railway, there is one inescapable test it must face: how do receipts compare with its expenditures and its provisions for the future?

2. To permit realistic reorganization and operation of the CNR, the Government and the Transport Board must permit CNR to do those things which wise and prudent management of a private business would do. That may involve abandoning some lines or co-ordinating some operations with the CPR or with established bus and truck systems. It certainly will involve permitting rate adjustments to meet fantastic rises in costs, particularly wages.

The principle that government and its boards make it possible for railway managers to manage in no way conflicts with the fact that some of Canada's railways must do a "national service" job. (The Newfoundland system, for instance, is a baby tossed on CNR's doorstep. It is anticipated that it will lose $4 millions yearly.)

But let all this be taken into account in rate-making, etc. Not until we stop this present nonsense of giving hidden subsidies and preventing ourselves seeing the facts about our railway business; will anybody, taxpayer or consumer, railway boss or Government, have any accurate or meaningful picture of railway operations. And the final cost to taxpayers and consumers of the application of common sense will certainly be no more than at present. It's likely to be less.

3. Any CNR reorganization plan must be worked out in reference to the present position of the CPR. The parallelism in costs on the two systems must be very similar. A new deal at CNR which will put its cost picture out of line with that of the CPR will create havoc in all attempts to establish a sound pattern of rail rates. In trying to repair the health of one line we don't want chronic ailments induced in the other.

* * *

Change Would Hurt PolicyHolders

Charles Millard, labor leader and Socialist Member of the Ontario Legislature is promoting a bill to amend the "twisting" clause of the Ontario Insurance Act.

This clause (it is now the same in all the provinces) makes it an offense for an insurance agent to induce a person to drop an insurance policy in order to purchase another policy. Purpose of the clause is to prevent the unscrupulous insurance agent bamboozling prospects into unwise moves so a new policy may be placed which means new commissions for the agent.

The Millard change would soften the regulation to make this an offense only if the insurance agent induces such action "by any false or misleading statement or representation."

Since insurance sales presentations are almost always verbal and in private, the Millard amendment would in effect mean that it would be virtually impossible ever to get a conviction and the whole clause would become inoperative.

Millard's scheme should be promptly rejected. The rules against twisting need strengthening rather than weakening. It would be very interesting to know who put Mr. Millard up to his plan. It certainly isn't something he thought up for himself. Only somebody who finds the present rule uncomfortably restraining would have any interest in the change.

The public very much needs protection of this kind. Currently one insurance sales group specializing in term insurance bases its sales talk on a blast at all other forms of life insurance. In several sales efforts reported to The Financial Post, the prospect was given the very clear impression that he was a fool to have bought any insurance other than term and that he was being duped by "phony life insurance economists and actuaries."

Term insurance has its very proper place in the insurance program of a great many people; but the contention that it fills all insurance needs and that it is "bargain" insurance is ludicrous. With insurance which is extremely competitive as with everything else, you get what you pay for.

Unfortunately, insurance is a very complex business and the great majority of people must, for the creation of a sound program, depend to a large degree on the experience, good judgment and ethical standards of the underwriters with whom they deal. While 99 out of 100 underwriters are thoroughly competent and high principled these days, inevitably a few put their own selfish interests ahead of that of their policyholders.

The term insurance pushers referred to above may not technically be breaking the present rule against twisting, but the effect of their sales talk will certainly be to leave the unsophisticated with a highly distorted view of life insurance and deep suspicion as to the moral standards of the industry.

This is no time for making the rules on insurance sales methods easier.

Budget to Tighten Up On Family Firm Tax?

Ottawa May Close Loopholes To Strengthen New Tax Procedure On Accumulated Surpluses of Family and Closely Held Firms

By KENNETH R. WILSON

OTTAWA (Staff)—One subject to be dealt with in the Budget speech next week is the controversial matter of taxing accumulated surpluses of family corporations.

The Government is expected to bring down new legislation to supplement and extend tax policy growing out of the Ives Royal Commission of 1945. The new legislation will be closely connected with recent "stop-loss" demand made by Department of National Revenue under Sec. 9(6).

Under this section, a number of Canadian companies were notified that in the opinion of the Government, the undistributed income exceeded what was reasonably required for the purpose of the business. The firms were served notice that, as of the date the letter was sent, the company deemed to have declared a dividend sufficient to bring the undistributed surplus to "reasonable proportions."

It is generally believed here that in each instance the action was taken to head off the sale of transfer which would have legally and effectively distributed, in tax-free form, a surplus which the Crown believes is properly taxable.

The new legislation expected next week will plug the gap in the present law and complete the framework of tax law aimed to deal with this contentious and difficult problem of accumulated surplus in the hands of family or closely held corporations.

Last year in his Budget speech Finance Minister Abbott gave warning that his department was still wrestling with this problem. He noticed that "at present, on winding up, the distribution of assets to the extent of undistributed income on hand becomes taxable in the hands of the recipient at personal tax rates in the year in which the assets were distributed."

He added: "So severe is the ap-

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How Catholic Spokesmen Interpret Pastoral Letter

For an interpretation and appraisal of the significance of the 35,000-word Roman Catholic Pastoral letter on social justice, The Financial Post went to senior Roman Catholic clergy and Catholic laymen in Quebec and Ontario who often speak publicly on church affairs. Following is a report of what these various persons said. For a condensation of the actual document see p. 15.

The general view expressed was that this week's pastoral letter did not enunciate any new doctrine or policy.

Its publication at this time was, in the minds of some interviewed, an indication of some change of emphasis.

Its appearance is also connected with last year's Asbestos strike and, according to some interviewed, it is the formal declaration of the Church to Quebec Premier Duplessis that it does not see eye-to-eye with him on at least aspects of social policy.

Several of those interviewed warned that the document was originally written in French and especially that the language of the Church is often confusing and misleading to the non-Catholic, hence that misunderstanding could easily arise.

One said that it was an attempt at compromise between an extremely "liberal" interpretation of the Papal Encyclicals on social justice, and what has been considered the "orthodox" approach.

This difference of opinion within the Church was first brought sharply into focus during last year's Asbestos strike. Since then, attempts have been made to patch up the differences. The pastoral letter, according to this view, is the first concrete evidence of what has been done.

Except in length and detail, the letter was not "unprecedented." A similar although much shorter, report was issued during or shortly after the Asbestos strike by the Sacerdotal Commission on Social Studies (the heart of the "liberal" faction).

For example: the new letter says there can be honor both of enterprise and of labor. The first mentioned only labor.

It is also pointed out that in the current letter, the words "profit-sharing" are not used. There is only a careful reference to "participation by labor in profits and management." There is also equal emphasis on labor's responsibilities as well as its rights.

It was generally agreed that the new letter contained nothing that hadn't been said before; in

(Continued on page 3, col. 5)

U.K. Will Buy Eastern Spruce

OTTAWA (Staff) — Britain has now confirmed purchase of 100 million board feet of eastern spruce, The Financial Post is informed. This is three times the amount of the deal agreed upon last Christmas when funds for purchase of spruce were made available by deferred wheat shipments.

Value of the order is put at $6 millions. This order is good for shipment up until Dec. 30, 1950.

Initially the British agreed to tender for 35 million board feet to be paid for out of $2.5 millions of funds advanced by deferment of wheat purchases. Tenders were slow in coming through. When they were asked in the middle of February, the eastern spruce industry offered Britain about 100 million board feet of lumber.

After some negotiation on price and a scaling down in the original quotations, Britain has now confirmed purchase of the entire 100 million board feet at a somewhat lower over-all price.

PRICES

Rubber may be affected in future by recent devaluation of Indonesian guilder, quoted before devaluation at about 26c U. S., then slashed 50%. Just a few days before rubber reached New York prices not equaled since Nov. 15, 1948. Spot rubber was selling as high as 20¼c. lb., and rises were then said owing in part to belief Indonesia could not enter the market with low-priced rubber. Reasons given for the devaluation relate to domestic problems.

Commodity prices in U. S. have failed to live up to predictions of general decline for first quarter. Situation is attributed to stable business conditions, over first few months of year, though whether this will continue is not so certain. Some predict downtrend for second half of 1950; others are uncertain. U. S. Government fiscal policy may have been having inflationary effect, upholding markets.

Coffee goes up at retail by 4c lb. in Toronto, 3c in Montreal. Montreal prices are expected to be about 94c for tinned brands. Market has been firm, with green coffee supplies restricted. Chain stores had been easing prices toward brand prices.

Butter, milk and cheese will drop in months ahead, is prediction, with dwindling foreign markets for dairy products.

Hardware firm in many lines. Prices continue to rise on items hiked earlier at U. S. supply points. Advances have been registered in coil and pound chain, horseshoes, horseshoe nails, augers. No general recession seen, says Hardware and Metal (MacLean-Hunter).

Rise of about 1% for most items is forecast at Winnipeg, as result of freight rate boost. At Vancouver, marine competition is expected to moderate this.

It's Dickering Says Ottawa Of Gordon Plan

For summary of Donald Gordon's brief to Royal Commission on Transportation and an interpretive story, see page 9.

OTTAWA — First reaction in Ottawa to Donald Gordon's plan for capital reorganization of the C.N.R. is that it looks like a horsetrading approach by the former deputy governor of the Bank of Canada.

There's no quarrel with the idea of turning $760 millions of government-held interest-bearing securities into equity or non-interest certificates. This would relieve the company of $21.6 millions in interest charges. It would just a little more than balance off the $20 millions of net income deficit which the company has averaged over the 26-year period 1923-48.

But the idea that's going to be hard to sell to the Government and to Parliament is the plan for setting up a $300 million capital fund. Under the Gordon plan this would be a fund from which the company might draw for capital works or retire obligations held by the public.

It's thought here that as yet no very convincing case has been made for this latter part of the proposal. If, in future, the C.N.R. wants to retire public obligations or get capital advances, why not have it come to Parliament as in the past? Perhaps, it is suggested here, Mr. Gordon put this in with the idea of horsetrading some extra benefit over and above the $760 millions write-off.

Here's Why Labor Changed Its Strategy On Pensions

By RONALD WILLIAMS

Labor's strategy on pensions has changed. It brought with it the first break in Canada's immediate deadlock on the problem.

In an effort to force management into the position of joining with labor in pressurizing Ottawa to abolish the means test, the CIO Auto Workers' Union at Windsor which has been carrying the ball, unexpectedly offered to defer its demand on Ford of Canada for $100 a month retirement allowances until next year if Ford would agree to concessions, amounting to about 10c an hour.

Quickly Ford rejected the proposal but said its $55 pension offer still held now or next year. Ford also proposed that the union's alternative proposals be deferred too. However, Ford's rejection was not taken to mean that a compromise settlement on the new basis was not possible.

By offering to postpone its pension demand, the union had removed the chief barrier to settlement with Ford in 1950 and at the same time, perhaps set an example all labor might follow on pensions.

It couldn't help but have an effect on the firms next on the auto unions' list: Chrysler and General Motors. A Conciliation Board's findings are now awaited on the Chrysler dispute; G.M negotiations are just getting under way. Both Ford and Chrysler countered the union's pension demand with the same offer, $55.

Also underway are contract renewal talks in basic steel. Pensions are at the top of the list here too. If the auto union's new proposal gets anywhere, it might also be adopted in steel and that would then become the pattern for 1950. Pensions would then become the issue next year.

Behind Labor's Move

It didn't take much searching to find out what was behind the auto union's surprise move. Pensions are a long-term proposition. In view of the uncertainty over what Ottawa is going to do about old age pensions and the means test, unions have nothing to lose and perhaps something to gain by deferring things for 12 months.

All along, realistic union leaders have recognized that they couldn't possibly expect Canadian industry to pay the whole pension shot when United States industry is only paying part of it (roughly two thirds; U. S. social security makes up the rest). This realization gave birth to the cur-

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Business Nervous On Easter Outlook

Late Spring Delays Advance Buying After Weird Winter Had Altered Pattern—Retailers Hope For Last Minute Splurge

By HARLEY POTTER

With Post Correspondents Coast-to-Coast

How does business look for Easter? Better ask the weatherman. That just about sums up the feeling of retailers across the country on this year's Easter prospects. Not for many years in most areas have prospects been so uncertain.

"With Easter a week early and winter two weeks late we're caught in a squeeze" was the way one Toronto merchant summed it up. And in few other cities across the country was there any disagreement.

Everywhere Easter sales volume is expected to be crowded into a shorter space of time. All the same, if weather is fair from now on, most merchants see sales at least equal to last year; some predict higher totals.

Spring clothing — finery for the Easter parade — is moving, both for men and women.

For women there are shorter skirts; for men, brighter gabardines, lighter sports jackets.

Here are the prospects by cities:

VANCOUVER — Pre-Easter business will have to pick up a great deal in the next week if it's going to come anywhere near 1949 levels. That's the feeling of most merchants. Business has been hit by the worst winter in history with purchasing power cut considerably by unemployment. Consensus puts this year's Easter business as likely to be about 10% off from last year. One of the biggest slumps seems to be in clothing. Women's dress lines are badly hit; men's clothing and shoes are slow movers. Specialty shops handling fine imports report business poor. Candy business holding its own, should see increase around holiday week end. Furniture too is holding. Week before Easter might see buying rush if weather improves.

EDMONTON — Cold spring blamed for pre-Easter business considerably lower than last year but department stores expect to make up business if weather improves and point to oil money. Smaller stores say customers shopping carefully, waiting for clothes prices to come down. One downtown millinery shop estimated sales off 20% from last year. Both large and small stores agree not so much ready cash available, say shortages largely overcome and necessity of selling much more evident.

WINNIPEG — Not for many years have Easter business prospects been so uncertain. Most stores think volume should hold reasonably close to last year provided weather opens up. For the last two weeks buying has been sharply slower than for the corresponding period a year ago, probably because people have been waiting for a break in the weather after the long spell and have been holding off day by day, awaiting better shopping conditions.

Bargain sales have been more than usual in an effort to pick up business and to a considerable degree they have been successful.

Store inventories of good merchandise are heavier than a year ago. The weather has also affected employment. Firms which ordinarily make temporary additions to their staffs for the Easter business have not done so.

TORONTO — An Easter rush is seen ahead by some merchants if weather breaks and if so, sales should equal, may be ahead of last year. Stores are now selling spring clothing. Men's spring coats are moving at a fair pace,

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Inside News

B C Sees Big Era Ahead

Growth and changes in British Columbia's economy in the past 30 years have been truly extraordinary. What's ahead? The Post's special report on British Columbia (pages 21-32).

Arm Western Germany?

What's behind Churchill's suggestion that Western Germany will have to be armed if free Europe is to be defended from any Soviet aggression? How do Britain, France react? Adelphi (p. 40)

What MacNab Plans

MacNab's investment manager is keeping a close eye on his reserve stock list, considers future repurchase of some of the stocks he has sold over the past five years, might soon be in order. Managed Investment (p. 5)

$500,000 From Barter

How can Canadian exporters go about barter trade? What are its advantages? What are the mechanics? Where are the opportunities? An export manager tells how he has kept markets open, chalked up $500,000 worth of barter deals in the last two years (p. 7).

Your Wife's Income

How does the Income Tax Act apply to you if your wife has an income? What's the full score on married status, dependents' allowances? For the answers see the sixth in The Post series, Your Personal Income Tax (p. 32).

Lesson From Sweden

How many Canadian farmers, communities turn their timberlands to profit year after year? They do in Sweden and for almost a century municipal forests have been major sources of municipal revenue. Another special Post article from Sweden (p. 12).

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Building Strike Spread, Cost Rise New Threats?

By CLIVE CHATTOE

The construction industry and building buyers see more trouble over 3½-months-old wage strike in Ottawa, threat in Toronto and looming demands from plumbing and other building trade unions across Canada (The Financial Post, March 11).

Shaping up now, according to several industry management leaders, is something like a concerted strategy for a national wage drive backed by strike threat and maybe actual strikes. Strikes could shut down millions of dollars of important construction and housebuilding in a dozen cities.

Seen even more threatening: if any notable degree of success were achieved by the unions and wages and building costs rose, a much larger volume of immediately projected building might be shelved. If that happened, a building slump could have very serious repercussions.

The building trades union leaders are said to be riding a runaway wage demand; having promised almost general increases, they can't get off and are finding it tough to stay on.

In Ottawa the runaway plumbers' union, on strike since Jan. 3, has collided with the law. There, at mid-week, decision was due any moment in magistrate's court on a charge laid by plumbing employers against the union local. The charge, laid under the Ontario Labor Code is that union broke the law by striking without first submitting to conciliation. Ottawa negotiations began back in October on an agreement up for renewal Dec. 31. Breakdown of the talks brought the strike Jan. 3. It's still on, crippling wide segments of the capital area's current construction program; keeping planned jobs off the market. (If the union is found guilty it will be the first conviction under the Ontario code.)

In Toronto and perhaps 20 other cities, the eyes of plumbing and some other building trades this week are on Ottawa. Earlier, Toronto was the focus of attention, with the plumbing union in a stew over a conciliation report denying it almost everything asked. Just for the moment a Toronto strike threat is held in "strategic abeyance" and the May 1 building wage zero hour approaches fast.

Construction leaders aren't underestimating the chances of widespread trouble.

Did We Pick Wrong Jet Fighter?

U. S. Speed Matched Against U. K. Mobility

Canada's decision to adopt the American Sabre or F-86 as our front-line fighter, and to manufacture the craft in this country, was recently bitterly attacked by a House of Commons Opposition member.

Herewith the editor of the nation's authoritative voice in aircraft affairs, Canadian Aviation, discusses the pros and cons involved in the decision in this special article for The Financial Post.

By RONALD A. KEITH

Editor, Canadian Aviation

To compare the American Sabre with the British Vampire is to measure the fastest against the highest. The American jet interceptor holds the official world speed record (671 mph). The Vampire holds the world altitude record for aircraft (59,492).

There seems to be no doubt that the policy of North American standardization of military equipment dictated the switch from Vampire to Sabre. As the F-86 is the accepted fighter of the U. S. Air Force, equipment of the RCAF with these planes vastly simplifies defense co-operation.

Another argument concerns the wartime lessons of the Atlantic supply lanes. Hitching our aircraft manufacturing industry to the British star early in the war proved to be a mistake because of supply and liaison problems across the sub-infested ocean, in the opinion of most observers.

Critics of the American breed of jet-powered interceptors argue that flat-out bursts of speed near to sea level altitude, while capturing records, and headlines, do not necessarily prove combat superiority. The U. S. warrior planes, for the most part, are fast and powerful but heavy. Their high wing loading is not a handicap on the low-level race course, but it slows the climbing rate and makes the interceptor sluggish in high-level manoeuvres.

The argument runs something like this: The holder of a world speed record, like the winner of a beauty contest, may be sleek and loaded with glamour. But can she cook? How does the rooftop racer stack up as an interceptor at 40,000 feet?

Since it is obvious that invading jet bombers won't be playing tag at treetop height, these flashes of sea-level zip are less significant than the ability to scoot upstairs, then overtake and out-perform the enemy at fighting levels.

Current versions of the two planes have about equal power. The F-86A Sabre squirts along on the exhaust from the General Electric J-47A jet engine, rated at about 5,000 lb. static thrust. The latest Vampire, not the RCAF

(Continued on page 3, col. 1)

Basic Trouble Not Solved By Deal

OTTAWA (Staff)—Canada has overcome obstacles in buying for $10 million special secret list equipment for F86 jet fighters in the United States, but she hasn't yet solved the basic difficulty of two-way trade in military equipment between the two countries.

The real hurdle in Canada-U. S. defense co-ordination is still to set up a peacetime Hyde Park arrangement that would permit U. S. authorities to buy military equipment in Canada and vice versa.

Ideally, this would involve some sort of revolving fund arrangement in both countries from which purchases of military equipment could be made across the Canada-U. S. border.

Until something like this is done, there is little hope (in the Canadian view) of laying a proper foundation for industrial mobilization and specialization in advance of actual outbreak of war.

Pace of Business

Coal production increased 5% in February from the same month of 1949, as imports dropped 56%. Output was 1.77 million tons, against 1.69 million tons same month last year. Increases by provinces: Alberta, to 770,000 tons from 781,500 tons; N. S., 543,000, from 496,200; Sask., 251,000, from 213,000; B. C., 162,000, from 161,000; N. B., 46,000, from 36,000, according to preliminary figures.

Primary power consumption set an all-time Canadian high of 3,773 million kwh. in January. January central electric station output at 4,071 million kwh. was record for month, compared with previous January high of 3,851 million kwh. in 1947.

Building permits issued by 507 municipalities in January totaled $30.3 million, rise of $18.8 million from previous month.

Department store sales in week ended Mar. 11, fell 7% from same week last year, according to preliminary figures.

Merchandise imports for January were valued at $211.9 millions; ($213.4 millions for December, 1949).

Retail trade increased almost 2% in January over same month of 1949.

Sales of food store chains in January rose 7% over same month of 1949. Sales of shoe, hardware, drug and variety chains decreased by from 2.4% to 5.1%.

Rubber consumption rose 3% in January to 13.8 million lb., from 13.4 million lb. in December. Synthetic output rose from 8.8 million to 10.4 million lb. Month-end stocks of natural rubber increased 1.2 million lb. to 12.8 million lb.

Cost of living index stood at 160.3 Feb.1, 1950. This compares with 159.7 Jan. 3, 1950; 158.2, Feb. 1, 1949. Newfoundland not included.

Milk production in 1949 was 16.8 million lb., practically unchanged from 1948.

Stocks of potatoes were 431,670 tons Mar. 1, against 349,395 tons same date year previous.

Stocks of fruit, frozen and preserved, were 26.6 million lb. Feb. 1, compared with 35.9 million lb. same date last year.

Stocks of creamy butter in nine cities March 10 totaled 22.9 million lb., against 9.1 million same date year before.

EATON'S

See how well You look in a

GlenEaton Hat

Spark your Spring wardrobe with a hat to match your new spring suit. EATON'S new GLENEATON HATS have just arrived . . . smart, well-shaped, fine fur felts in the new two-way style . . . and the Lightweight style . . . . in five spring colour range, pearl grey, cobalt blue, green, birch (fawn), feature brown (medium), and gunstock brown (dark). The "TWO-WAY" — the hat with the dual personality! Wear it off-the-face for a dressier look or with the brim snapped down for a more casual appearance.

The "LIGHTWEIGHT"—an unlined hat for added comfort! Smartly styled with a narrow band and binding.

SIZES 6⅝ to 7⅝

EATON'S

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Pratt Kuhn, director of advertising for the Winnipeg Newspaper Union, Toronto, will be given a complimentary dinner in Toronto, April 20 to mark his 40 years in the advertising business. Organizing committee plans to present Mr. Kuhn with a bound volume of letters from his friends across Canada.

* * *

Aikin-McCracken Ltd. (Toronto) appointed to handle spring campaign for Lady Anne sweater and sportswear line of Royal Knitting Co., Toronto, using selected dailies, counter cards for retailers.

* * *

J. J. Gibbons Ltd. (Toronto) directs new campaign for Stromberg-Carlson Ltd., Toronto. Nationwide advertising to start in May will stress unusual new features of Stromberg-Carlson radio and television sets.

Harold F. Stanfield Ltd. (Toronto) announces two new accounts: Kool Vent Awnings Ltd., Toronto and Ethyl Antiknock Ltd., Toronto, newly formed subsidiary of Ethyl Corp., of New York.

* * *

Muter, Culiner, Frankfurter & Gould Ltd. (Toronto) directs campaign for Dorothea Knitting Mills Ltd., Toronto. Initial advertising will be for company's Parkhurst sweater for men with four-color roto insertions.

* * *

O'Brien Advertising Ltd. (Vancouver) features "the friendly foreign atmosphere, different and exciting" of B. C. as copy theme in 1950 American tourist promotion campaign for B. C. Government Travel Bureau. National and regional magazines will be used plus newspaper insertions in western states.

Your Printing

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Classified ads cost 8c per word and figure for each insertion. Minimum charge $2.00. Add six words when box number is required. When replies are to be mailed to advertiser add 15c. Classified ads payable in advance. Contract rates on application.

POSITIONS WANTED

ACCOUNTANT Bachelor of Commerce, Superior qualifications, six years experience. Interested only in position offering attractive and challenging future. Box 92, The Financial Post, Toronto.

GOING TO EUROPE, Chartered Accountant will undertake minor commissions of business nature while on vacation. Visiting most European countries from May to August. Reply to Box 94, The Financial Post, Toronto.

AUDITOR — INTERNAL — Member N.Y. Institute — Presently employed — seeks opportunity with profit minded organization. Willing to travel—Diversified experience. All replies acknowledged. Box 107, The Financial Post, Toronto.

POSITIONS AVAILABLE

VICE PRESIDENT—General Manager of small air carrier organization being formed in Montreal. Responsible man with extensive experience in business administration and finance. Legal training an asset. Box 102, The Financial Post, Toronto.

YOUNG EXECUTIVE

WANTED BY well established sheet metal roofing manufacturer planning the opening of a branch factory in Toronto. Splendid opportunity for an aggressive young man with sales experience and management ability. Must be energetic, resourceful, progressive and capable to assume responsibility. Reply giving age, experience, salary desired and full details in absolute confidence. Box 104, The Financial Post, Toronto.

FOR RENT

NEXT WINTER IN B. C.?

DESIRABILITY of making prompt steamship reservations for extensive travel necessitates advertiser making immediate arrangements for letting his furnished home for minimum period of six months from November next. The house is situated in high class residential West Point Grey district of Vancouver. Lovely marine and mountain views, convenient to local bus transportation, and is in large garden. All rooms are large, including three bedrooms. Very comfortably furnished, modernly equipped including automatic oil heat and electric hot water, and completely supplied in all details.

For immediate negotiation will accept low rental of $150 monthly. For further particulars please communicate with

THE ROYAL TRUST COMPANY,
VANCOUVER, B.C.

OTHER PEOPLE'S VIEWS

Pungent quotes from other papers, selected for their high interest, appear regularly on Post's editorial page. Canadian viewpoints for Canadian-minded Canadians.

BY MAIL ONLY $5 A YEAR

Revolution Ahead in Steel?

New Process May Mean Better Steel, Faster Production

By W. L. DACK

Canada's big four steel companies were taking a searching look this week at a new process that could mean a lot to their industry (to steel users too, in possibly better steel) and a lot more to Canada in any defense emergency.

It was something they've been working on for two years now with Ontario Research Foundation and now looked to be near the end of development: the use of sponge iron in fabricating high-quality steels.

If the new process was found to work out they'd have the solution to two main problems: a growing shortage of good-quality steel scrap, basic to production of high-quality steels; and the production of high-quality steels in large quantities at short notice.

They might soon know the answer. Last week end saw first production of sponge iron, in anything like commercial quantities, at Milton Brick Co.'s plant at Milton, Ont. This week, Atlas Steels, Algoma Steel, Dominion Foundries & Steel and Steel Co. of Canada — the four companies responsible, with the Ontario Government, for financing the project — were getting set to test the sponge iron in experimental steelmaking melts in their own furnaces.

Success in these experiments would bring sponge iron production to North America for the first time; likely would result in setting up an entirely new branch of the Canadian steelmaking industry.

Where Scrap Fits In

Falling quality of steel scrap has been the principal spur to development for peacetime uses. Increasing use of steel alloys — particularly by the automobile industry — has resulted in a falling off in purity of scrap.

The constant re-use of this scrap aggravates the situation. Since steel standards permit only a small percentage of residuals such as nickel, chromium, etc. (only a fraction of 1%) it means that a continually increasing amount of scrap is becoming useable only in combination with an increasing proportion of the more expensive pig iron.

By addition of even small quantities of sponge iron—which is 95% pure iron—the high alloy steel scrap may continue to be used in steel production. One ton of the new sponge iron can dilute about four tons of ordinary scrap to bring the alloy content down to a usable level.

Cost estimates in the Milton Brick-Ontario Foundation project place cost of sponge iron at around $40 a ton. Steel scrap is currently selling at around $32 a ton. Pig iron sells at around $45 a ton.

It is thought by some officials that the iron would pay for itself in the amounts of lower-price alloy steel scrap that it would make available to the steel industry. Besides that, sponge iron is said to melt very fast and produce a somewhat higher quality steel.

The higher the quality and more specialized the steel use the more attractive the sponge iron process becomes. Even available pig irons in Canada are not pure enough for some of the highest quality steels. Since the sponge iron can be produced with ordinary brick-making equipment at short notice the process is considered an important national defense development.

2-Year Research Project

All research work in the current project has been performed by the staff of Ontario Research Foundation under the directorship of Pat Cavanaugh. Iron ore used in the project is from Steep Rock Iron Mines.

After mixing with water the mix is extruded in the form of a long flat strip (4 in. wide by 1½ in. thick). This is cut into slabs some 12 in. long and then packed into cylindrical saggers — metal or ceramic containers in which they are later baked in the oven kiln. This first step is being carried out at Ont. Brick & Tile plant at Mimico Reformatory. Fine powdered coke is packed around and over the slabs.

The saggers are later fed into the modern tunnel kiln at Milton Brick where, under the 1950 F heat generated, the oxygen in the iron ore unites with the coke to form CO, which escapes harmlessly into the kiln. After some 80 hours in the oven the saggers emerge from other end of kiln. After cooling the sponge iron is extracted from saggers.

Big cost items are the iron ore, saggers and the fuel. More mechanical handling would reduce costs slightly.

The high-quality steel industry in Sweden has been using sponge iron successfully for some 40 years now. Although the Federal Bureau of Mines in the U. S. has experimented extensively with the process since the end of war so far no company has made use of the process commercially.

There is an understandable lack of enthusiasm from the well-developed pig iron industry in the U. S. because the sponge iron process would likely replace pig iron use in some high quality steels.

One Firm to Take the Rap On Those 25c Jap Shirts?

OTTAWA — The contentious cheap Jap textile imports to which the Government has now applied anti-dump duties and higher invoice values were all brought into Canada by one firm, M. I. Greisman & Son (Canada) of Toronto, The Financial Post is informed.

Because the Government contended that the invoice values on these goods did not reflect fair market value and therefore were a dump. Mr. Greisman faces the prospect of paying prohibitive imposts into the federal treasury. Exact amount of the higher values and penalties will not be known until the Government has confirmed in Japan the higher values it has temporarily placed on these goods.

The goods in question were part of what is known in the trade as "kodanstocks" goods made immediately after the war under supervision of SCAP as a means of getting the Japs back to work. SCAP did not arrange for the marketing of these goods and as a result there was an accumulation of huge stocks that had to be liquidated.

Some of this liquidation was done in orderly fashion. Thus some three million dozen men's knitted undershirts were disposed of in Pakistan, India and Indonesia. Cotton piece goods were disposed of at floor prices and a large proportion left for home consumption.

But considerable quantities of shirts, children's dresses, aprons, etc., got into ordinary export channels. New York reports placed the number of shirts at 700,000 of which 100,000 were reported as destined for Canada.

Dump Duty Automatic

A wide range of Jap goods made under these special conditions is now under examination by the Government. So far, only the one shipment of shirts, dresses, aprons, handkerchiefs brought in by Greisman has had invoice values rejected and dump duties applied.

Dump duty in Canada is automatic when the goods are of a class or kind made in Canada and if selling prices are less than fair market value in the country of origin.

Thus if Jap shirts, entered say at 25 or 30 cents were subsequently declared to have a fair market value of 75 or 80 cents, the importer would be liable for the difference between the two prices (say 50 cents) plus payment of duty on the higher value. The duty on all cotton clothing from Japan is 35% plus 4 cents a lb.

The Post is informed that the Greisman deal is not in any way connected with other arrangements now going forward to barter Canadian wheat for other Jap goods.

One such barter deal is now nearing completion under the management of Roy Peers of Montreal. The deal involves two cargoes (18,000 tons) of wheat valued at about $2 millions. Most of the return cargo from Japan is in the form of grey goods for Canadian textile mills. About three quarters of the Canadian purchases are now arranged and it is expected that the wheat will be shipped in April or May.

Jap Prices Higher

One feature of this deal and of others, which do not involve any "kodanstocks," is that Jap prices are found in many cases to be higher and noncompetitive with Canadian.

Initially, the Peers plan was to exchange steel and wheat. But Jap steel prices were found to be 15% to 25% higher than competitive Canadian prices. Even in some textiles, Jap prices are higher due to lack of modern machinery such as automatic looms, etc.

In one case it was found that eight men were tending the same number of looms which were looked after by one man in a Canadian plant. One construction of Jap cloth quoted in Canada at 12½ cents would have cost 14 cents in Japan.

This difference between present Jap values and the value of goods produced earlier under SCAP is confirmed by Bert Schwarz, former chief of the cotton textile branch of SCAP and recently in Ottawa. Mr. Schwarz says that modern North American merchandising methods are now being utilized for selling Jap textiles and that the better Jap mills are co-operating in a program of quality standards and stabilized pricing.

Mr. Schwarz has now set up his own organization in New York and will act as one of the agents for Toyo Spinning Co., the largest spinning and weaving organization in Japan.

Mr. Schwarz claims that in future, all merchandise from Japan will undergo rigid inspection and delivery dates will be rigidly adhered to. He contends that after allowance for duty and freight, staple lines are now more expensive in Japan than on this side. Finishing costs especially are said to be higher in Japan.

Display Factory Rolls at London

Canada's newest big-scale maker of display equipment, Splayart of Canada, London, Ont., plans soon to open in Toronto a headquarters sales office and showroom and, in other cities progressively, branch offices.

Incorporated late last year, the Canadian-financed affiliate of Splayart (London) Ltd., Kingston-on-Thames, Eng., recently bought a 7,000 sq. ft. plant at London, Ont. (The Financial Post, Dec. 10) where a small initial production force is making, or assembling British-made "display equipment with the industrial design flair." Splayart sees 100 employees with later full production. It has sole Canadian rights to the British line and parts.

Promotion includes plan to exhibit at Canadian International Trade Fair in Toronto (meanwhile at Western Sports Fair, London, April 3-8, it will show silk screened and flocked wallpapers and panels.)

Departments already in operation at the Canadian plant are: plastic, silk screening, drawing and design, with others slated to open this spring. Output, assembly or distribution will include silk screening on plastic, glass, wood or card, nameplates machine-engraved on metal, plastic or glass, merchandise stands, racks, shelving, all-steel garages.

President is F. E. Gregory, now a London-to-London commuter, who is chairman and managing director of the British firm (Canadian company isn't a subsidiary). Vice-president is William Loveday, proprietor of London Marble & Granite Co., in the Canadian city. Secretary-treasurer is W. F. A. Preston, formerly London, Eng. Soon to move to London, Ont., and join the board is R. W. Munro, managing director of William J. Clouston Ltd., St. John's, Nfld.

CRESTAURUM MINES reports date for payment for $300,000 principal amount of debentures, due Jan. 1, 1950, under agreement with Frobisher and Transcontinental Resources, has been extended to Jan. 1, 1952.

Ask All-Canada For Alberta Gas

From Our Own Correspondent

VICTORIA — By unanimous vote British Columbia's Legislature has passed a resolution favoring an all-Canadian route (through B. C.) for the proposed westward pipe line to carry natural gas from Alberta to U. S. and Canadian coast centres (The Financial Post, Dec. 10).

The resolution instructs the Government to urge on Ottawa that it is in the interests of all Canada as well as B. C. that the line should come through Yellowhead Pass and down the Thompson Valley with branch lines to other parts of B. C.

Many members stressed the value of having the line built so as to make possible connections which would provide an outlet for gas from B. C.'s Peace River and Cariboo districts, where extensive oil and gas explorations are now under way.

Bahamas Eases Exchange Rules On Investments

Relaxation of regulations governing repatriation of dollar investments in the Bahamas has provided a new stimulus for Canadians and Americans to invest capital there.

Dollar investments approved by the Bahamas Exchange Control may be repatriated at any time to the extent of the investments, under the new regulations. Heretofore, dollar investors were subject to strict limitations governing liquidation of investments in the Bahamas, which is in the sterling area.

Realtors believe the change, long urged by Bahamian business men, may bring a new surge of building and real estate activity into the Colony, where the tourist industry has been gaining steadily since the end of the war.

In the face of slumps elsewhere, Nassau has attracted 25% more visitors so far this winter than it did in the 1948-49 season and the opening of Billy Butlin's new $8,000,000 Vacation Village at Grand Bahama has sparked a widespread move to develop the Out Islands, scattered across 70,000 square miles of sea, it is stated.

Copies of the Exchange Control notice can be obtained from the Controller of Exchange, Nassau, Bahamas, from the Information Bureau, Development Board, Nassau, Bahamas, or from the Board's offices in New York, Miami, London or Montreal.

Obituaries

Arthur N. Douglas, 71, Winnipeg, president of Congdon Marsh Ltd.

Edward E. Bayne, 78, Winnipeg, director and member of the executive committee, United Grain Growers Ltd.

George A. Broadbent, 75, Winnipeg, manager and director, Broadbent Lumber Co.

Henry C. Strange, 69, Toronto, retired Canadian Bank of Commerce branch manager.

James MacMurray, 69, Saint John, president, Eastern Securities Co., former chairman, special names section of the N. B. division, National War Finance Committee.

Dr. John Clarence Webster, 86, Shediac, N.B., won international fame in two careers, medicine and

B. C. Prepares $20 Million Housing Scheme

From Our Own Correspondent

VICTORIA—British Columbia's $20-million joint Dominion-provincial-municipal housing scheme provides for subsidized home building as well as projects for sale or rental on an economic basis.

Explaining the purpose of the scheme, Premier Byron Johnson says it is primarily designed to promote housing projects allowing tenants or purchasers to enjoy the advantages of mass production and low interest rates.

Ottawa will put up 75% of the money, the province 25%, and any losses are incurred on the same basis.

Details of down payment, interest rates, commissions and rentals have still to be worked out by agreement with Ottawa.

Municipalities may initiate subsidized housing schemes but they must agree to pay 12½% of the subsidy, with the province also paying 12½% and the Dominion the remainder.

In areas without services, the Government will finance their installation, but they will remain a first charge against the property.

Repayments to the $20 million fund may be used to finance further building.

The housing law allows municipalities to incur losses, pay subsidies, or borrow money to install services, without a vote of taxpayers, notwithstanding any present laws on the statute books.

The Government is empowered to make agreements for payment of fixed sums to municipalities in lieu of taxes.

Western Grocers Plan $400,000 Edmonton Unit

From Our Own Correspondent

EDMONTON—City council has approved sale of two parcels of land in the new Kingsway industrial area (which is out toward the airport), to Western Grocers Ltd., who are planning a $400,000 Edmonton warehouse headquarters.

Western Grocers have agreed to complete the building on one parcel in 1951. If the firm does not build on the second parcel within three years, the city can get the land back at its selling price.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Aikenhead Hardware Ltd. (Toronto) — Maxwell C. Purvis, a director; Frank M. Jeffrey, vice-president.

Automatic Electric (Canada) Ltd. (Toronto) — Carman R. Hughes, manager, telephone sales division at Toronto.

Barber-Ellis of Canada, Ltd. (Toronto) — K. W. Murphy, assistant general manager.

British American Bank Note Co. Ltd. (Ottawa)—A. Murray Vaughan, vice-president.

Brunt Manufacturing Co. Ltd. (Toronto) — Edward A. Lupton, sales manager, flooring division; Roy C. Beales, company purchasing agent.

British Columbia Lumber Manufacturers' Association (Vancouver) —W. J. Van Dusen, president.

Canada Life Assurance Co. (Toronto)—C. C. Boyle, chief accountant.

Canada Security Assurance Co. (Toronto) — Crawford Gordon, Jr., a director.

Canadian Circulations Audit Board, Inc.—Grant H. Adams (Toronto), president; John Sheppard (Montreal) vice-president.

Canadian Johns-Manville Co. (Toronto) — George Day, manager, industrial products and building materials, Maritime division, New Glasgow, N.B.; W. G. Damery, supervisor, home insulation, Montreal.

Canadian Overseas Telecommunications Corp. (Ottawa)—David Leo Howard (Montreal), president; Henri Gagnon (Quebec City), R. M. Brophy (Toronto), J. H. Hamilton (Vancouver), C. P. Edwards (Ottawa), directors.

Central Metals Ltd. (Hamilton) —Douglas A. Jones, general manager.

General Construction Co. (Vancouver)—J. C. Boyd, president, John Boyd, senior, board chairman; Harry C. Anderson, joins firm as vice-president and general manager.

Geo. W. Crothers Ltd. (Toronto) —Gordon B. Mills, general sales manager.

Gorman, Eckert & Co. Ltd. (Toronto)—Earle D. Morrison, general manager.

Great American Insurance Group (Toronto) — L. B. Speechly, manager, Province of Quebec branch, Montreal; A. Hassall, casualty superintendent, Toronto head office; H. O. Holroyde, branch manager at Winnipeg; D. C. Grigg, to service office, London, Ont.

Hudson Bay Mining & Smelting Co. Ltd. (Winnipeg) — Norman C. Urquhart, a director.

Ideal Metal Stampings Ltd. (formerly Ideal Sheet Metal Products), (Chatham, Ont.)—Harold D. Bates, president; William L. Rivers, vice-president; D. L. Lancaster, sec.-treas.

Imperial Tobacco Co. of Canada, Ltd. (Montreal) — Earle Spafford, board chairman; Edward C. Wood, president.

Israel Maritime League in Canada (Montreal)—Louis M. Bloomfield, president.

Kendall Co. (Canada) Ltd. (Toronto) — John D. Gwynne, sales manager; J. H. Ross, assistant sales manager.

Lymans Ltd. (Montreal)—John D. Middleton, vice-president; L. P. L. Barette, F. Doherty, William R. Lee, directors.

Melchers Distilleries Ltd. (Montreal) — Dr. J. A. Dufresne, vice-president.

McLeod, Young, Weir & Co. Ltd. (Toronto) — T. J. Harrison, Winnipeg resident manager.

Minneapolis-Honeywell Regulator Co. (Leaside, Ont.) — W. H. Evans, vice-president and director.

New Brunswick Lumber Dealers Association (Moncton)—R. C. Eddy, president.

Northrop & Lyman Co. (Toronto) —Harold D. Howe, president; Kirkwood B. Howe, vice-president; O. Dean Shortly, secretary-treasurer. Canadian history.

Ralph B. Pratt, 78, Winnipeg, past president of the Manitoba Association of Architects, designed many CNR and CPR buildings in western Canada.

William J. Craig, 81, Toronto, manufacturers' agent for Canadian and European furniture firms.

William J. Orr, 60, Montreal, retired sales manager, alkali division, Canadian Industries Ltd.

Steel Co. of Canada Ltd. (Hamilton)—W. K. Whiteford, a director.

Winnipeg Credit Grantors Association (Winnipeg) — Harold Genser, president.

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IN PARLIAMENT

Your Digest of What Parliament is Discussing and Planning

The House finally wound up debate on the reply to the Speech from the Throne, rejecting Social Credit amendment calling for non-contributory old age pensions. PC's voted against it; CCF'ers voted with Socreds.

* * *

House approved further supplementary estimates of $65 millions. Included are deficits of T.C.A., the C.N.R. and the Wheat Board.

* * *

Municipal taxes should be considered deductible for income tax purposes urged Rodney Adamson (PC, York West), claiming present system was double taxation. Loss of revenue would not be great, but would help municipal finances, homeowners, he argued.

* * *

If that controversial gas pipeline does go to Vancouver from Alberta via the U. S., no gas will be sold in U. S. till gas is flowing into Vancouver. Restated this session, that's policy of Trade Minister Howe who issues certificates that domestic needs are filled, necessary before gas can be exported.

Opposition members talked away private members' bill periods again for two pipeline bills. House learned from George Drew a U. S. firm was seeking to serve Toronto with Texas natural gas; exchange of Alberta gas, oil and Texas gas, was possible.

* * *

G. K. Fraser (PC, Peterborough West) is asking a complete breakdown, by department sections, of government long-distance phone bills and statistics, costs of government publicity divisions.

* * *

Owner of a small Moose Jaw, Sask., store paid more income tax in 1946 than all the farmers of Quebec, said W. Ross Thatcher (C.C.F., Moose Jaw). Quebec farmers paid $14,000, he said. Income tax inspectors were numerous on the prairies, but he feared other agricultural sections were not paying their share.

* * *

Mr. St. Laurent is becoming ***impatient with CCF questions*** about patronage. Stanley Knowles wanted data on who handled patronage in Ontario, Quebec Liberal ridings, other than the sitting Liberal member. The prime minister said there was no patronage in the sense of "ministerial favors." He said he told a defeated Liberal candidate "there was no patronage, there were persons who made certain recommendations to which more or less importance was attached, but that was all there was to it."

* * *

House heard details of Canada's offer to train 250 officers from Atlantic pact lands. R.C.A.F. share of defense money is to rise to 44.8% from 42.6%.

* * *

Senators have been complaining they get too few seats on joint committees. There was sentiment for a separate committee to duplicate House questioning of C.B.C. officials.

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Did We Pick Wrong Jet Fighter?

(Continued from page 1)

version, is powered by the D-H Ghost jet of equal output.

The Sabre, with its slender bullet fuselage and swept-back knife-like wings is designed to slide through the air with a minimum of drag. The Vampire, with straight wings and twin tail booms, is not as slick aerodynamically but is lighter and more nimble.

In level flight at low altitude, the Sabre has a speed advantage of about 80 mph over its British rival. At 40,000 feet altitude the F-86A is about 40 mph faster than the Vampire. This comparison, however, applies to the original Vampire design. The new thin-wing Vampire can take full advantage of the available power and it is claimed, will compete with the Sabre for flat-out speed. All-up weight of the American glamour girl is 18,000 lb., compared with 12,400 for the U. K. contender. Wing loadings, the vital consideration in climb and high-level turning radius, are 50 lb. per square foot for the Vampire, about 60-70 per square foot for the Sabre.

At 40,000 in Eight Minutes

Thus, the Ghost Vampire will take off in less than half the runway distance used by the F-86. The agile British pursuit can spurt from the runway to 40,000 feet altitude in less than eight minutes. Twenty-four minutes after take-off it is riding at 56,500, nearly 11 miles up.

The Sabre has more weight to push upward with the same power so its climbing performance can't compare with that of the Vampire. The British fighter would leave the F-86 behind in a race to fighting height. The higher wing loading of the Sabre, furthermore, would handicap its manoeuvrability at high altitude.

The scene never remains static, however, and there is always the prospect of design modifications as well as power boosts. Installation of the Canadian-designed Orenda jet engine in the Sabre will step up the power of this fighter to about 6,500 lb. thrust with a corresponding improvement in performance.

The fighter boys are bothered these days by the fact that multi-jet bombers are appearing on the horizon with speeds neighboring 10 miles a minute at 30,000 feet. Interception exercises over Britain last year proved that Meteors and Vampires were hard put to climb and catch "invading" American B-29 bombers cruising at only five miles a minute.

However, they derive some encouragement from the fact that the power picture is changing almost daily and the combination of rocket power and radar feelers may beat the bomber's surprise and speed.

In view of the above arguments, it is not surprising that the Canadian abandonment of the Vampire in favor of the Sabre has stirred some controversy.

To Tighten Up on Family Firms In Budget?

(Continued from page 1)

plication of our present law in such cases, that many such businesses have been driven into a great variety of extremely complicated and cumbersome devices to secure legal avoidance of the excessive burden to which they are now potentially liable. As a result we are losing revenue to which the public Treasury has a justifiable claim."

In the same reference Mr. Abbott admitted the problem was so complicated that there was little unanimity of view as to the most equitable and practicable solution.

He suggested one solution, namely a plan under which a straight percentage tax paid by such a corporation at the time of winding up or at the time of capitalization of earned surplus, would relieve the earned surplus of tax liability in the hands of the eventual recipient. He questioned whether this would be equitable and, if so, what the flat tax should be.

Mr. Abbott expressed the hope that there would be an opportunity for discussion of this in Parliament. But no one took the opportunity. When the Budget was going through Committee no questions were asked.

Meanwhile the Department of National Revenue has moved via 9(6) to head off capitalization of earned surplus so as to prevent loss of revenue which, to quote Mr. Abbott: "We think the Treasury has a justifiable claim."

Next week is expected to mark the next step toward solution of this problem.

A. C. Simmonds & Sons Expanding in Toronto

A. C. Simmonds & Sons, electronic and metallurgical products, in an in-city Toronto relocation moves next week into newly built premises on Merton St. It's a 4,000-sq. ft. initial unit of warehouse and office with 15,000 sq. ft. of surrounding land owned by Simmonds for future expansion. New premises are larger than the King St. E. space to be vacated.

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Give Us Easter Sunshine Is Prayer of Retailers

(Continued from page 1)

though one well acquainted with the trade describes market for them as "quiet." Women's wear moving fairly well.

Easter hams should sell particularly well this season. "We will sell every ham we can smoke," one producer said. High beef prices account in part for this. Capacity will limit sales of some producers, though over all, market may absorb more hams than before.

Greeting card sales should at least equal last year. Whether they pass last year or not, one trade man said, again depends on weather. The sales that make the difference between same level, higher sales than previous year depend on impulse buying. "But the Easter card is coming into its own," he asserted.

Some stores will be taking on extra sales force to handle the possible last minute rush for Easter clothes, etc., if weather picks up. One firm that does not usually hire extra help expects to take on students.

Buying power will be hit to a certain extent by unemployment.

MONTREAL — Regular business as good as or better than last year, but main Easter items — men's and women's clothing—slightly behind a year ago. One retailer said heavy buying rush is anticipated if the sun continues to shine and if spring looks as if it's really about to arrive.

Prices are about the same or somewhat lower than a year ago in many lines, many say that values this year are better than last. Sales are going well both in basement and regular with very high priced lines off somewhat.

One store which handles a lot of English merchandise says that it's selling more than ever before. Another store pointing out effect of good weather, said millinery had been very strong on sunny days last week. Millinery, coats, suits, dresses and accessories of all kinds — gloves, handbags, hosiery—are the main Easter items. Men's wear has been selling very well, particularly topcoats.

Unemployment greater now than a year ago and local officials are worried that late cold weather and snow will slow opening up of the harbor and the roads.

SAINT JOHN — Sales showing a slight drop in most lines averaging a decrease of some 10% over last year in a wide variety of consumer goods but brisk Easter business expected. Some merchants complain of slow deliveries of women's wear. Car sales meeting with price resistance. Food sales being maintained at high average.

Study Sugar Beet Possibilities in N.B.

From Our Own Correspondent

FREDERICTON — A special study of the possibilities of growing sugar beets on a commercial scale in N. B. will be made by a committee of the Legislature.

Addressing the agricultural committee of the House, Agriculture Minister A. C. Taylor said the growing of sugar beets in the province had been discussed with P. E. I. officials. He said two areas in N. B. might be well suited for this crop—the marshlands along the Bay of Fundy, now being reclaimed, and the potato belt along the St. John River.

Look For It Here

March 25, 1950

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Rexora Min.	40
Stadacona	38
Spike Redwater	33
Steep Rock	33
Violamic	35
Waite Amulet	38

Union Pension Drive Deferred Until 1951?

(Continued from page 1)

rent campaign for abolition of the means test on Canadian old age pensions. At first, auto union officials were only lukewarm to the idea. Now they're getting hot.

What Ottawa is going to do won't be known, at the earliest, until after the Federal-Provincial Conference this fall.

Until this is all cleared up, most union leaders admit they won't know where they stand on pension demands; they won't know exactly how much to demand of industry to give them their goal of $100 a month. So why not wait and see what happens?

For even more compelling reasons, management will want to wait and see too; the more Ottawa pays, the less will be demanded of them. This partially explains the joint Ford-union visit to Ottawa recently when both sides sought to find out just what Ottawa had in mind. What the union found out is believed to have had an important bearing on last week's pension switch: Ottawa expects to know where it's going early in 1951.

However, deferment has certain drawbacks for management. It means they will probably be called on to give increases in one form or another this year in lieu of pensions. And next year, they will be smack up against the pension issue again. In the Ford case, it's two extra paid statutory holidays (making eight); improved insurance benefits (paid wholly by the company) and other concessions. The auto union made a similar proposal to strike-bound Chrysler in Detroit. It was rejected too.

Although Ford rejected the initial union proposal, negotiations are continuing and some sort of a compromise may emerge. Meanwhile, the union is going ahead with its plan to call a meeting of all Windsor Ford workers next Sunday to consider the Ford offer. A strike vote is possible but informed feeling is that it won't go that far.

How Catholic Spokesmen Interpret Pastoral Letter

(Continued from page 1)

effect it was a restatement of the Catholic social doctrine.

Those holding the view that it was only a compromise at best, claimed the letter was brought on by the resignation of Archbishop Charbonneau and reports that he did not see eye-to-eye with higher Church authorities. The pronouncement, they say, is an attempt to show that no difference of opinion exists, and is an attempt to smooth over the whole incident.

The other view on timing is that the Asbestos strike and the difference between Church and the Duplessis Government since then, convinced the Church that its social doctrine needed restating. It is seen therefore, as a warning that continued failure to correct social injustice may result in civil and moral catastrophe.

A leading clerical exponent of the Church's social doctrine was a little more blunt: "It is aimed at justifying the stand taken by Church authorities during the Asbestos strike. At that time," he said, "and since, many Catholics were asking about Church policy. The pastoral letter is designed to answer such questions."

He takes the view that Archbishop Charbonneau wasn't forced to resign because of his stand on the Asbestos strike and management-labor matters generally. The letter, signed by all the bishops and archbishops, confirms the unanimity of the Church on labor, he says.

A leading Catholic layman who specializes in labor-management matters, felt the same way about the Church being united on labor. But he thought some influence had been used against the Archbishop. He said he knew representations had been made to Rome and thought that perhaps Archbishop Charbonneau had been too outspoken in his criticism of private enterprise.

Said another: "It is the first real application of the Encyclicals to Quebec. Many of the points raised weren't apparent when the pronouncements were issued years ago. Today, because of the great industrial developments in Quebec the bishops felt these things needed saying."

This layman cautioned against too literal interpretation by non-Catholics of some parts of the letter, particularly that dealing with profit sharing. His own interpretation was that it meant the Catholic Church expected management to give its employees a fair share of the profits in the form of wages, not a cut-and-dried split on a percentage basis.

A prominent Montreal Catholic agreed the letter does not imply that a new social justice drive is under way. He too said it was based on the Papal Encyclicals issued at the beginning of the century. But, he added, it also reflected the work of the influential Jesuit group which has led in the study of social problems in Quebec.

What's Effect on Canada If U.S. Surplus For ECA?

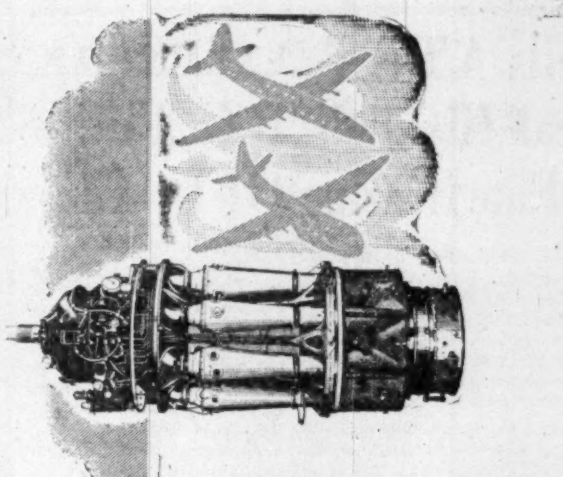
OTTAWA (Staff) — Canadian cheese in 1951, and wheat after July 30 of this year, are the farm products chiefly vulnerable if U. S. Congressmen carry through the House of Representatives Foreign Affairs Committee recommendation to slash $1 billion from E.C.A. appropriations and substitute a like amount of U. S. surplus farm products.

Presently, Canadian wheat purchases are being financed by a $175 million allocation of E.C.A. funds arranged in a special deal at Washington last September. This terminates at the end of the present E.C.A. year, June 30, 1950.

Apart from wheat, no E.C.A. funds are currently being used by the British to finance purchases of Canadian farm products. The British have a $17 million contract to buy Canadian cheese in 1950. They have agreed to buy bacon and have been buying tobacco.

But even though no E.C.A. funds are involved in purchase of these items, they are all products which are under price supports in the U. S. A.

This means that if the **U. S.** goes through with this scheme for the E.C.A. year beginning **July 1, 1950**, Britain would be offered these items at cheap prices in the U. S.



PROTEUS
PROPELLER TURBINES

For the multi-engined Princess flying-boat and the "Bristol" Brabazon II, a coupled Proteus power unit has been developed consisting of two Proteus turbines arranged with their shafts parallel and driving a coupling gearbox. This gearbox, in conjunction with a reduction gearbox, drives the two co-axial shafts for the contra-rotating propellers. The 3,500 h.p. "Bristol" Proteus propeller turbine is notable for its high power output for a comparatively small overall size of engine and has a particularly low fuel consumption.

THE *Bristol* AEROPLANE COMPANY LIMITED • ENGLAND

IMPERIAL BANK 75th ANNIVERSARY

Looking ahead with Canada

★ A MESSAGE FROM THE CHAIRMAN OF THE BOARD

I. K. JOHNSTON,
President

L. S. MACKERSY,
General Manager

The men who founded Imperial Bank of Canada three-quarters of a century ago had an abiding faith in Canada's future. That faith carried them triumphantly through the time of gloom and depression in which the Bank was born.

Advancing cautiously but steadily, they built an institution which became a helpful partner in every phase of Canada's development.

Today, the men who direct the operations of Imperial Bank of Canada look to the future with the same confident eyes as did its Founders.

They believe that Canada has erected the foundations for sound, solid development and continued prosperity for a growing population. On this, the 75th Anniversary of the founding of Imperial Bank of Canada, they reaffirm those tested principles and forward-looking policies which inspired their predecessors.

On behalf of the Board and Management,

R. S. Waldie

Chairman of the Board of Directors.

Yours for Service
IMPERIAL BANK
OF CANADA

14-50

Bells AT&T Deal Highlight of Rate Hearing

MONTREAL (Staff)—As hearings continued this week before the Board of Transport Commissioners on the proposed rate increase applied for by Bell Telephone Co., company officials continued to hold the spotlight in the testimony presented.

One of the items which caused greatest cross-examination by opposing counsel was the company's agreements with American Telephone & Telegraph. The U. S. firm at one time held 46% of Bell stock. This percentage dropped during the 1890-1920 period to not less than 38%, and since that time has steadily decreased to its present level of 12%.

With the decline, in AT&T's proportional interest, company decided to look for a more permanent agreement with regard to various services, licenses, and privileges obtained from the American company. Originally it used to pay 1½% of its annual gross revenue for these rights. These were cut down in 1929 to a straight 1%. Last summer the company signed a new contract which extended this agreement for a ten-year period.

In 1949, these services cost the Bell $889,025 and it's expected this year that under the present rates the charge will be $1,120,000, Robert Macaulay, executive vice-president testified. If the rate boosts are granted, the cost will be $1,220,000, he said.

Opposing counsel criticized the arrangement on the grounds that the cost bore no relation to the costs of providing the service by the American company. Mr. Macaulay said he thought the company had struck a good bargain in the contract, and that normally the patents for various devices adopted by the Bell would cost the company hundreds of thousands of dollars.

INVESTMENTS THIS WEEK

B.C. Power Shows Results Of Its Expansion Program

With the mailing of the 1949 annual report of British Columbia Power Corp. last week, investors were able to assess the results to date of its expansion program which was begun in 1946 and, in so far as the original program is concerned, is expected to be substantially completed by the end of this year.

Financing of this program has substantially increased the investment interest in this company and its subsidiary, British Columbia Electric Co. In 1949 alone, three public issues were made — a preferred stock issue and a bond issue for B. C. Electric and an additional issue of 240,000 Class "A" shares of B. C. Power Corp. Much of the financing has been done by local investors. Of the 1949 preferred issue 65% was subscribed for in B. C. and of the "A" issue 45%.

The year 1949 was the second largest construction year in the company's history with gross outlay of $29,900,000. Investors will be glad to note, however, that it marked the beginning of a downward trend in capital expenditures after a sharp rise in post-war years culminating in 1948's record-breaking program. Budget for 1950 calls for gross expenditures on plant of about $23 millions. This downtrend is expected to continue for the next several years, President A. E. Grauer states.

B. C. Power's consolidated gross revenues of $39,332,303 in 1949 was up 7.4% from 1948's gross of $36,910,053 and was 48% higher than the 1945 gross revenue of $26,792,376 — reflecting mainly the growth of the company's services during the expansion period.

But its consolidated net profit, which had shown in 1948 the first effects of the expansion program by jumping 31.4% from the 1949 net, was $2,303,258 in 1949 or down 11.5% from the 1948 net of $2,603,485. This however, was apparently due to unfavorable water conditions early in 1949 which, the company estimates, caused a loss in net earnings of $480,000 — more than the amount of the 1949 drop. The 1949 net was still 51% greater than the 1945 net.

Due to the increase in the number of shares outstanding, earnings per class A share dropped to $1.86 for 1949 as compared with $2.60 in 1948, based on the number of shares outstanding at the year end. However, the 1949 earnings were equal to $2.24 a Class A share based on the average number of "A" shares outstanding during the year. Analysts also note that the estimated loss in earnings due to water conditions would be equal to 39c a Class A share on the basis of the 1,240,000 shares outstanding at the year end.

With improved water conditions and with the completion of two new 62,000-hp. units at Bridge River in 1949, it is expected that the profit will be higher again in 1950.

B. C. Power Class "A" shares are currently selling around $28.75 a share to yield about 5.57% on the basis of the $1.60 current annual dividend rate. It has had a high of $29 a share and a low of $27½ a share this year. The additional "A" shares were sold at $27.50 a share last November. The Class "A" shares are entitled to noncumulative preferred dividends of $2 a share.

* * *

Expect New Financing For Can. Western Natural Gas

Some new financing for Canadian Western Natural Gas Co. is expected to be announced soon, The Financial Post understands. The issue is expected to consist of $8 millions of 3½% bonds which would be offered by Wood, Gundy & Co. and Nesbitt, Thomson & Co.

* * *

Canadian Oil Companies Has Record Year in 1949

Growth and development of Canadian Oil Companies, Ltd. is clearly indicated on page one of the annual report covering 1949 operations. In the year just ended both sales and earnings reached a new high — in the case of net earnings more than double that of 1947, in case of dollar sales just under double 1947 record.

Referring to the ever-increasing demand for company products, President W. H. Rea stated: "Your company is determined to take full advantage of this growing opportunity by improving and extending its manufacturing, transportation and marketing facilities."

* * *

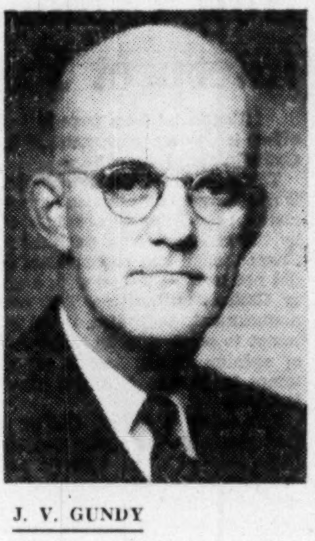
Pipe Line Debentures Show An Amazing Price Record

How high will the price of Interprovincial Pipe Line 4% debentures go? That is again a big topic of conversation in financial circles as the price of the debentures shows a rise which is probably without a parallel in Canadian financial history.

Interprovincial Pipe Line debentures were quoted $255 bid to $260 asked at the close on Tuesday this week after having sold at $295 early that morning. The debentures were selling about $197 early last week. They were offered at par the last week in September, 1949.

The prices are being paid despite the fact that the line is not expected to be in full operation until some time in 1951, and are based on anticipated earnings.

One factor sparking the current rise has been the announcement of possible increase in number of pumping stations on the line which, it is calculated, would increase anticipated earnings.



J. V. GUNDY

has been elected president, Charles Tennant & Co. (Canada) Ltd., industrial chemicals sales.

Commonwealth Int. Corp. Sells 3, Buys 13 Commons

MONTREAL (Staff) — Purchase of two entirely new common stocks for its portfolio, an increase in its holdings of 11 other common stocks, of four preferred stocks and of bonds featured the changes in the portfolio of Commonwealth International Corp. during the first two months of 1950.

Since Dec. 31, 1949, the end of the company's fiscal year, the number of shares outstanding had increased from 1,852,657 to 2,048,897 and the total net assets, taking investments at quoted market values, had increased from $6,788,123 to $7,628,097, it was announced at the annual meeting this week.

Commonwealth International Corp. entirely eliminated three common stocks from its holdings —110 shares of Guaranty Trust Co. of New York, 2,675 shares of Industrial Acceptance Corp. and 165 shares of Steel Co. of Canada.

The two new additions to its portfolio were 1,925 common shares of Dominion Foundries & Steel Co. and 140 common shares of International Business Machines.

Issues already held were increased as follows:

COMMON STOCKS	No. of Shs. Increase
Abitibi Power & Paper	1,925
Asbestos Corp.	1,500
Bank of Nova Scotia	1,870
Bank of Toronto	1,390
Brazilian Traction	3,800
Can. Celanese	2,800
Dominion Glass	450
Imperial Oil	2,500
Massey-Harris	4,000
Price Brothers	1,000
Shawinigan Power	2,000
PREFERRED STOCKS	
Br. Amer. Oil 3¾% pfd.	2,000
Can. Celanese $1.00 pfd.	1,270
Steel of Canada 7% pfd.	165
Western Grocers 7% pfd.	175

The company sold $200,000 Government of Canada 1¾% bonds due 1950 and purchased $75,000 Government of Canada 3% bonds due 1960 and $125,000 3% bonds due 1962. It also purchased $25,000 Anglo-Canadian Oil 4% convertible debentures due 1964.

R. C. Vaughan, recently retired chairman and president of the Canadian National Railways, was elected a director.

Shorts Hold At Montreal

MONTREAL (Staff) — Montreal Stock Exchange report shows short position of 22,965 shares of 47 issues as at March 15, compared with 22,205 shares of 48 issues on Feb. 28. Chief changes were:

Stock	Shares	Stock	Shares
Brazilian	—275	Inter. Paper	+295
B. A. Oil	+505	Molsons B	—325
Can. Car	—1,100	Nat. Brew.	+1,040
Dom. Coal B	—300	St. Law. Cp.	+775

Short position on Montreal Curb market totaled 108,880 shares of 32 issues on March 15, against 120,136 shares, 41 issues, Feb. 28. Chief changes are:

Stock	Shares	Stock	Shares
Anacon	—6,000	Or. Crush	—350
Brown Co.	—575	Sladen	—1,000
East Sull.	+1,300	Un. Asbest.	—3,900
Ford	+1,000		

Actual short positions on the two exchanges were:

Montreal Stock Exchange

Stock	Shares	Stock	Shares
Abitibi	1,560	Massey-Harris	115
Algoma	1,090	McColl	600
Aluminium	225	Molson's A	415
Bathurst A	25	Do. B	30
Bell Telephone	305	Mont. Tram.	50
Brazil	175	Nat. Brew.	1,465
B.A. Oil	655	Noranda	235
Do. pfd.	75	Page-Hersey	25
Bldg. Prod.	25	Powell River	25
Can. Cement	765	Pwr. Corp.	25
Can. S. S.	310	Price Bros.	690
Can. Brew.	475	Royalite	500
Can. Cel. $1.75 pf	30	St. Law. Corp.	1,100
Can. I. Alco. A	50	Dom. Coal B	350
Can. I. Alco. B	50	Dom. Stores	50
Can. Loco.	25	Dom. Tar	25
C.P.R.	450	Dom. Textile	100
Cons. Smelt.	1,590	Dryden	25
Dist. Seag.	1,050	Simpsons A	100
Fraser	300	Stand. Chem.	600
How. Smith	100	Walker G. & W.	300
Hudson Bay	425	Wpg. Electric	890
Imp. Oil	300		
Inter. Nickel	200	47 Issues	22,965
Inter. Paper	4,965		

Montreal Curb Market

Stock	Shares	Stock	Shares
Anacon	2,500	Mal. G'fields	500
Anglo-Can.	900	McLeod Cock.	100
Brown Co.	1,425	Normetal	500
Do. pfd.	40	Negus	100
Cal. & Ed.	100	Or. Crush	50
Cdn. Marconi	200	Osisko	200
Cdn. Vickers	115	Pacific Pete.	900
Chesterville	200	Pend Oreille	200
Cons. Paper	1,425	Sherritt G.	28,600
Cons. Textile	300	Stadacona	1,000
East Sullivan	8,400	Steep Rock	100
Eldona	7,000	Sullivan	100
Ford	100	Un. Asbestos	36,500
Gaspe Oil	2,400	Upper Can.	2,400
Home Oil	200	Un. Corp. A	25
Jaculet	1,000		
Kerr-Addison	100	32 Issues	108,880
Labrador	1,200		

Ontario Trust Companies To Operate Common Funds

The Ontario Government has granted permission to trust companies operating in Ontario to set up "common trust funds"—funds in which money belonging to a number of estates and trusts under trust company administration are combined for investment purposes.

The new trust fund is expected to provide greater stability of income for clients through greater diversification in risks and reduction in administrative costs. It will be particularly valuable to beneficiaries under small and medium sized estates where investment channels have been sharply limited because of small capital available. Under the new setup, investment capital from a number of estates or trusts can be "bunched" together in order to purchase securities.

It is thought that most trust companies will set up two separate common trust funds—one for those funds in which the trust companies have been given discretionary powers of investment and the other for funds where no such privilege exists. Investment opportunities will be much greater in operation of the first fund. In the latter case, investment will still be limited to government and municipal bonds and some first mortgages.

Trust companies will have to draw up certain standards of fund operation and these in turn will have to be approved by the Provincial Registrar of trust and loan companies. Among questions that must be decided are: how is fund to be set up; what will be its size; how much is to be drawn from each trust; what type of securities are to be invested in; how will individual trusts get their money out of the fund, etc. In the U. S. where such funds have been in force for some time funds are appraised quarterly.

The amended act now reads "any provincial trust company . . . may invest trust money in one or more common trust funds of the company and where trust money is held by the company as a co-trustee, the investment thereof in a common trust fund may be made by the company with the consent of its co-trustees whether the co-trustees are individuals or corporations."

The Lieutenant - Governor - in - Council may make regulations with respect to the establishment and operation of common trust funds and the investment of trust money in such funds, the act adds.

Can. Investors Ask Approval of Sale To Corp. Investors

Shareholders of Canadian Investors Corp. will vote on a bylaw authorizing the company to sell and dispose of its assets to Corporate Investors Ltd. at a special general meeting on April 3.

The agreement provides that Corporate Investors will purchase all the company's assets and will offer shareholders of Canadian Investors Corp., residing in Canada (except in Newfoundland); the privilege of reinvesting the proceeds of their shares in Class "A" shares of Corporate Investors Ltd. without surcharge. The agreement is conditional on the sale or purchase being approved by Canadian Investors shareholders at a general meeting not later than April 5 or such later date as may be approved by the purchaser.

Shareholders in Canada (except Newfoundland) of Canadian Investors will accordingly have the option of surrendering their shares for cash at the net asset value per share or of reinvesting in full shares of Corporate Investors Ltd. stock at their liquidating value. Shareholders residing in Newfoundland or outside Canada will be entitled to receive only cash upon surrender of their shares.

The net asset value of Canadian Investors' stock was $12.05 a share at Jan. 31, 1950. Liquidating value of Corporate Investors Class "A" shares was equal to $8.84 a share on Feb. 28, 1950.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SHIRRIFF'S LTD. reports net profit of $153,618 for 1949, up 20.9% from 1948 net of $127,046. Dollar sales volume was 26% higher, in spite of some price cuts and loss of export business, as a result of several new products and more intensive promotion.

Outlays for plant and machinery totaled $76,600. Building extensions have been completed, enabling installation of improvements in factory production facilities, a modern laboratory and testing kitchens. Further plant extensions and manufacturing improvements are in prospect.

Subject to continuation of general business conditions, states President F. W. Shirriff, a reasonable increase in sales and distribution in 1950 is anticipated.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Sales	$4,285,382	$3,392,487
Net earnings	392,503	292,904
Less: Deprec.	104,888	50,387
Bond int.	15,414	13,238
Other int.	22,965	19,682
Inc. taxes	95,618	77,551
Fin. exp.	243	......
Contingency res.	95,618	5,000
Net profit	153,618	127,046
Less: 5% pref. div.	14,966	11,250
Cl. A divds.	29,160	21,870
Cl. B divds.	2,025	2,025
Surplus for year	107,467	91,901
Earnings per Share and Dividend Record:		
5% pref.	$10.58	$8.47
Paid	1.00	0.75
Class A▲	1.14	0.92
Class A‡	0.72	0.72
Paid	0.24	0.18
Class B▲	2.52	1.21
Paid	0.10	0.10

▲Before (▲after) participation.
‡Maximum available for year under participation clause.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,233	$1,081
Accts. rec.	536,788	492,478
Inventories	743,498	949,158
Total curr. assets	1,281,519	1,442,717
Prepaid exp.§	69,363	57,862
Misc. assets	28,026	27,311
Fixed assets*	569,217	587,126
Total assets	1,948,125	2,115,016
Bank loan & overdr	218,455	405,497
Accts., etc., pay.	376,340	448,096
Taxes, pay.	69,114	60,931
Contingency res.	......	5,000
Total curr. liabs.	663,909	919,524
Funded debt	368,000	384,000
Capital stock	492,780	502,500
Earned surplus	423,436	308,992
*After depr. of	376,729	282,220
§Included in curr. assets in co's. report.		
Working capital	617,610	523,193

McCOLL-FRONTENAC OIL CO. consolidated net profit of $4,249,229 for 1949 was down 19.5% from the 1948 net of $5,273,818. Non-operating income includes a non-recurring profit of $2,008,002 from the sales of lease interests in Alberta. Net sales increased $1,581,035 to $74,229,477, a record high. Refinery runs to stills, including 1,997,727 bbl. for others, totaled 12,757,073 bbl. (10,390,300 in 1948). Depreciation at $4,416,516 was more than double the 1948 figure, and operating costs, etc., increased from $58,891,431 to $61,946,375.

Expansion and modernization at Montreal East, completed in 1948, upped daily crude oil capacity from 24,000 to 40,000 bbl. and improved operating efficiency. To save operating costs it was decided to close down the crude refining facilities at Toronto at the beginning of 1950 and operate that plant as a lubricant blending and grease plant and marine terminal for refined petroleum products. Start of construction work for the new refinery at Edmonton is scheduled for the spring.

The company sold to Texaco Exploration Co. its 50% interest in oil and gas rights on about 2,500,000 acres in western Canada and certain producing department assets for $1,611,021, plus a royalty interest of 10% of the share of Texaco in any oil or gas produced there. It purchased a 50% interest in producing acreage in the Redwater field, owned by Texaco, on which 20 producing wells have been drilled. It also received the right to participate under certain circumstances in future Texaco acreage acquisitions, and to acquire by purchase Texaco's net share of all the crude oil produced by it.

The subsidiary in Trinidad had gross production of 635,019 bbl. as against 587,694 in 1948.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Net sales	74,299,477	72,718,442
Inc. from oper.	8,625,721	9,127,987
Add: Invest. inc. & asset sale prof.	2,411,386	1,577,451
Less: For. exch. loss	......	3,672
Net earnings	11,037,107	10,701,766
Less: Deprec.	4,616,516	2,153,606
Deplet.	12,286	......
Bond interest	585,000	600,000
Other interest	45,978	8,200
Amort. bd. disc.	13,098	13,142
Income tax	1,515,000	2,648,000
Net profit	4,249,229	5,273,818
Less: Pref. divds.	240,000	240,000
Com. divd.	1,303,982	1,303,982
Surplus for year	2,705,247	3,729,836
Times All Interest Earned:		
Before depr., etc.	17.49	17.60
After depr., etc.	10.16	14.05
Earnings per Share and Dividend Record:		
Preferred	$70.82	$87.90
Paid	4.00	4.00
Common	1.54	1.93
Paid	0.50	0.50

Note—Earnings incl. invest. prof. of 55c per common sh. in 1948, 82c in 1949.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$2,248,541	$714,317
Accts. rec.	7,145,926	5,802,619
Inventories	19,341,650	22,160,849
Total curr. assets	28,736,117	28,677,785
Misc. invests.	3,216,088	3,175,644
Misc. assets▲	1,184,893	1,254,878
Prem. paid subs. shs.	4,958,766	5,608,766
Fixed assets*	25,336,507	26,790,730
Total assets	63,432,371	65,607,803
Bank loan	......	2,289,618
Accts., etc., pay.	6,979,383	8,657,581
Taxes payable	2,754,490	2,747,229
Bonds due	500,000	500,000
Total curr. liab.	10,233,873	14,194,428
Funded debt	18,000,000	18,500,000
Capital stock	25,133,534	25,133,534
Earned surplus	10,064,964	7,779,841
▲Incl. ref. EPT	423,914	589,812
*After depr. of	22,377,324	19,097,338
Working capital	18,502,244	14,483,357

HIGHRIDGE MINING CO. has sold 400,000 shares to B. M. Scott at 7½c a share. Issued capital is 3,336,332 shares, leaving 163,668 in treasury.

NEW DICKENSON MINES has received payment for March 15 underwriting of 50,000 shares at 60c a share under agreement with Brewis & White Ltd. Berens River Mines has exercised its option on 50,000 shares at 50c a share to cover balance of amount for purchase of part of the crushing and milling equipment covered by agreement dated Feb. 16. Issued capital is 2,100,000 shares, leaving 1,650,000 in treasury.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SCARFE & CO., Brantford, Ont. shows net profit of $179,303 for 1949, 10.5% lower than the 1948 figure of $200,247. Plant and stocks at all points are in excellent condition, President H. C. W. Scarfe stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$320,958	$370,465
Less: Deprec.	22,655	15,218
Prov. for taxes	119,000	155,000
Net profit	179,303	200,247
Less: Cl. A divds.	28,000	28,000
Cl. B divds.	21,000	21,000
Surplus for year	130,303	151,247
Earnings per Share and Dividend Record:		
Class A	$5.12	$5.72
Paid	0.80	0.80
Class B	2.88	3.28
Paid	0.40	0.40

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$36,464	$36,899
Accts. rec.	266,770	265,458
Invest.‡	76,369	......
Inventories	719,317	750,107
Total curr. assets	1,098,920	1,052,464
Misc. assets▲	47,524	50,989
Fixed assets*	237,887	244,781
Goodwill	......	32,612
Total assets	1,384,331	1,380,846
Bank loan	38,000	57,000
Accts., tax, pay.	192,721	282,927
Total curr. liabs.	230,721	339,927
Inventory res.	......	40,000
Capital stock	500,000	500,000
Earned surplus	653,610	500,919
‡Mkt. value	76,875	......
*After depr. of	247,010	224,955
▲Incl. ref. EPT	31,412	42,604
Working capital	868,199	712,537

DAVIS LEATHER CO. net profit for 1949 was $315,202, down 15.1% from the 1948 net of $371,220. Sales volume was up, in spite of currency controls, import restrictions and devaluation, reflecting efforts to capture a greater share of the domestic market. Rising costs, greater competition and a planned reduction of finished stock inventories combined to reduce earnings. Although devaluation gave a better profit margin on sales to the U. S., domestic raw skin prices have risen considerably toward U. S. levels. They are now higher than in the last nine months of the previous year.

Manufacturers are buying on a hand-to-mouth basis, President J. A. Gairdner looks to highly competitive conditions in 1950.

Capital expenditures amounted to $24,533. Dividend income was $118,856.

Years Ended Dec. 31:	1949	1948
Net earnings	$462,202	$543,276
Less: Depr.	14,000	13,056
Inc. tax res.	133,000	159,000
Net profit	315,202	371,220
Less: Cl. A divds.	150,000	150,000
Cl. B. divds.	109,808	109,808
Surplus for year	55,394	111,412
Earnings per Share and Dividend Record:		
Class A	$3.15	$3.71
Paid	1.50	1.50
Class B	1.05	1.41
Paid	0.70	0.70

Note—Earnings exclude profit from sale of securities of 53c per sh. on cl. A and 34c on class B in 1949; 8c and 5c respectively in 1948.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$375,552	$144,401
Accts. & bills rec.	412,707	601,046
Mkt. secs.‡	1,814,573	1,928,806
Inventories	3,059,804	2,777,481
Total curr. assets	5,662,636	5,451,734
Prepaid exp.§	39,430	35,639
Ref. EPT	......	6,878
Fixed assets▲	332,841	322,288
Total assets	6,034,907	5,816,539
Bk. loan & overdraft	1,357,746	1,286,254
Accts., tax., etc., pay.	278,443	230,339
Total curr. liabs.	1,636,189	1,516,593
Invest. res.	374,611	321,648
Capital stock	2,785,185	2,785,185
Earned surplus	1,238,922	1,193,113
▲After depr. of	139,797	128,454
‡Market value	1,905,038	1,938,358
§Included in curr. assets in co's. report.		
Working capital	4,026,447	3,935,141

DULAMA GOLD MINES has received payment for March 10 underwriting of 249,995 shares at 15c a share under agreement with D. W. Gordon "in trust." Issued capital is four million shares with none left in treasury.

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MANAGED INVESTMENT

MacNab Keeps Close Watch On Reserve Stock List

MacNab's investment manager keeps a sharp eye on the list of stocks sold for the MacNab account over the five years in which the account has been in operation. It is highly likely, he says, that at some time in the future repurchase of some of these stocks will be in order. At some time, NacNab's manager will repurchase some of the golds in the reserve list. In his opinion, stocks in this list are best in the group.

MacNab's Manager Says:

The operation of an investment account should be based on a solid and definite understanding with the client as to what his or her circumstances may be and what the objectives to be attained shall be. In other words, "It's your money; what do you want to do with it?"

While I have managed your account for over five years, at this time it might be wise to sit back and ask ourselves "Where do we go from here?" It would seem that there are as always two schools of thought in the stock market; e.g., those that think the market is going much higher and those who take a bearish view. My view is to straddle the fence with 50% in bonds and 50% in equities at this stage of the business cycle. Obviously, if everybody thought the same way there would be no market.

In retrospect it might be interesting to examine all of the stocks handled through your account since management was handed to me on Dec. 15th, 1944. Space does not permit more than listing the names of the securities with the prices at which they were bought and sold. This was done in The Financial Post, Jan. 7, 1950.

From this tabulation we have a list of stocks to choose from, which I, at one time, thought were attractive. The reason they were sold was either that, in my opinion, they were not worth the market price at the time of sale (in relation to earnings and future prospects), or that it was time to take profits, or both. The record shows that I was wrong in some cases and sold too soon. Of course no one ever went broke taking profits, but that is poor consolation when a stock keeps moving on up after you sold it.

This list then, shall be used as a reserve list, as it will probably be that I shall, at some time in the future, repurchase some of these stocks for your account. When new stocks are added to the reserve list I shall notify you.

Reserve List	Div. Rate
Abitibi	$1.50 pfd.
Aluminum of Can.	2.00 pfd.
Argus Corp.	4.50 pfd.
Brazilian Traction	2.00 common
B. C. Electric	4.00 pfd.
B. C. Forest Prod.	0.30 common
Canadian Breweries	2.00 common
Canadian Canners	1.20 common
Canadian Celanese	1.40 common
Can. Westinghouse	2.00 common
Eddy Paper	1.00 Class A
Ford Motor of Can.	2.00 Class A
Goodyear Tire	2.00 pfd.
Industrial Accept.	2.00 common
International Paper	2.50 common
Kelvinator	3.25 common
Massey Harris	1.25 pfd.
National Steel Car	1.50 common
Price Bros.	2.00 common
Royal Bank	1.00 common
Shawinigan W. & P.	1.20 common
Steel Co. of Can.	1.00 pfd.
Walker (Hiram)	2.40 common
Mines	
Consolidated Mining & Smelting	
Bralorne	
Hollinger	
Kerr Addison	
Dome	
McIntyre Porcupine	
Oils	
British American	conv. pfd. & com.
McColl Frontenac	pfd. & com.
*Royalite	common
*Home	"
*Anglo-Canadian	"
*Calgary & Edmonton Corp.	"

(*) Added to reserve list but not previously held in the account since management assumed.

Under my control plan, it has been necessary to sell a substantial portion of your holdings of common stocks, which have been re-invested in bonds. You will note that no gold stocks are included in your list at this time. I have been unable to make up my mind whether gold stocks represent value at current prices. Certainly the yields are unattractive when compared with industrials, base metals and utilities. At some time in the future I will repurchase some of the golds listed in the reserve list which, in my opinion, are the best in this group.

G. E. GUNTON

has been elected vice-president, Charles Tennant & Co. (Canada) Ltd., industrial chemicals sales.

Ind. Acceptance Bonds Are Sold

A new issue of $10 millions of 4% sinking fund debentures of Industrial Acceptance Corp. was quickly sold by Greenshields & Co. and Wood, Gundy & Co. The issue, dated April 1, 1950 and due April 1, 1969, was offered at $100 and accrued interest.

Proceeds were $4,789,500 for the redemption of the outstanding $4,650,000 debentures and the balance for general corporate purposes.

Capitalization, outstanding on completion of the financing, consisted of $10 million 4% sinking fund debentures due April 1, 1969; $1,500,000 5% cumulative redeemable preferred shares, par $100; $1,500,000 4¼% cumulative redeemable preferred shares, par $100; $1,388,100 5% cumulative redeemable convertible preferred shares, par $25; $1,920,000 5% cumulative redeemable convertible preferred shares, par $32 and 284,476 no par value common shares. (The last three figures are as of Feb. 15, 1950).

In addition to its loan and share capital, the company finances its purchases of receivable by borrowings of term and demand notes secured by the pledge of receivables. Term secured notes now outstanding amount to $25 millions. Demand notes outstanding with the company's bankers and others fluctuate in amount from time to time in accordance with the volume of receivables purchased by the company. The amount outstanding as at Jan. 31, 1950 was $40,465,000.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

BRITISH COLUMBIA ELECTRIC CO. consolidated net profit of $3,207,192 for 1949 was slightly higher than 1948 net of $3,173,949. (See annual report of parent company, B. C. Power Corp.)

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net income	$3,463,782	$3,464,829
Less: B. C. El. Ry. pref. divd.	256,590	290,880
Net profit	3,207,192	3,173,949
Less: Pref. divds.	843,500	510,000
A & B divd.	1,756,000	1,664,000
Surplus for year	607,692	999,949
Earnings per Share and Dividend Record:		
Preferred	$16.04	$18.67
4% paid	4.00	4.00
4¾% paid	4.75	0.60
Cl. A & B	1.06	1.33

CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & mkt. bds.	$320,115	$1,027,369
Accts. rec.	4,576,729	3,701,705
Inventories	5,861,231	5,857,755
Total curr. assets	10,758,075	10,586,829
Prep. exp.§	134,878	82,547
B. C. Pwr. shares▲	......	666,540
Construct funds	......	411,194
Empl. pens. fund	3,456,316	3,356,530
Bd. ref. exps., etc.,	2,645,733	1,895,096
Other assets♦	1,403,287	2,207,806
Fixed assets‡	188,747,609	163,714,407
Total assets	207,145,889	182,920,949
Bank overdraft	563,805	......
Accts. pay.	3,960,366	4,455,965
Due B. C. Pr. Corp.	982,713	827,870
Taxes payable	2,009,494	2,339,622
Construct. acct.	2,400,000	4,500,000
Other curr. liabs.	2,250,737	1,799,797
Total curr. liab.	12,167,115	13,923,254
Funded debt	88,639,251	72,478,650
Gen. & accid. res.	1,095,155	1,041,640
Empl. pens. fund	3,456,316	3,356,530
Subsids. cap. stk.	6,987,140	6,987,446
Capital stock	84,520,000	75,400,000
Capital surplus	6,115,765	6,115,765
Earned surplus	4,165,147	3,617,664
‡After deprec. of	46,598,343	44,888,155
▲Market value	......	453,357
♦Incl. ref. EPT	250,000	1,232,000
§Incl. in curr. assets in co's. report.		
Excess of curr. liabs. over curr. assets	1,409,040	3,336,425

CANADA WIRE & CABLE CO. consolidated net profit of $1,297,483 for 1949 was 4.9% lower than the 1948 net of $1,364,771.

Capital expenditures totaled $493,498. Fixed assets previously referred to an appraisal made at the time of reorganization in 1935 and have now been changed to reflect cost, less depreciation.

President J. Y. Murdoch stated it has been decided to purchase: a larger building in Vancouver which is now being remodeled for warehouse and office use; a new site in Calgary to erect a larger warehouse and office; and to open a new branch in Edmonton and purchase a site there for future expansion.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Total net income	$2,671,929	$2,670,962
Less: Taxes	845,942	798,292
Depreciation	445,066	419,661
Debent. int.	83,438	88,238
Net profit	1,297,483	1,364,771
Less: Cl. A divd.	118,672	118,672
Class B divd.	301,328	225,996
Surplus for year	877,483	1,020,103
Times Debenture Interest Earned:		
Before depr.	32.02	30.27
After depr	26.69	25.51
Earnings per Share and Dividend Record:		
Class A	$43.73	$46.00
Paid	4.00	4.00
Class B	7.82	8.27
Paid	2.00	1.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,108,834	$543,555
Call loan	440,000	......
Investments‡	690,465	9,115
Accts. rec.	3,462,554	4,232,257
Inventories	5,728,514	5,059,192
Total curr. assets	11,430,367	9,844,119
Misc. assets▲	41,693	103,515
Fixed assets*	1,975,592	2,021,149
Total assets	13,447,652	11,968,783
Accts. pay.	2,189,284	1,999,795
Prov. for taxes	733,507	616,229
Debents. due	150,000	150,000
Total curr. liab.	3,072,791	2,766,024
Funded debt	2,550,000	2,700,000
Inventory res.	1,000,000	1,000,000
Res. for reels	371,280	267,122
Capital stock	1,575,000	1,575,000
Surplus	4,878,581	3,660,637
*After depre. of	5,023,509	4,071,558
‡Market value	692,885	8,939
▲Incl. ref. EPT	......	48,315
Working capital	8,357,576	7,078,095

DOME MINES experienced a slight decline in earnings in 1949 due to "various cross currents" affecting the year's operations, President Clifford W. Michel reports. Net profit of $1,480,854 was equal to 76 cents a share (84 cents a share in 1948).

An option to exercise a small further interest in Western Minerals and Western Leaseholds was exercised during the year; by the end of 1949 these companies owned a full interest in 40 producing Redwater wells and royalty interests in 18 wells in the Leduc field. Through formation of Dome Exploration (Western), Dome is making $2.5 millions available of a fund of $10 millions for participation in western oil under direction of J. G. McCrea, vice-president of Dome and manager of outside exploration activities.

A further $970,000 was put up for Campbell Red Lake by way of advances and purchase of shares in 1949; Campbell realized a profit of $490,000 before depreciation and pre-production expense in the last seven months of 1949.

Exerting a downward pull on earnings at the Dome mine was the continued increase in mining and development costs, a lower grade of ore mined and a substantial increase in depreciation permitted under a revision of Canadian income tax regulations.

Taking securities at market value, working capital amounted to $5,879,846 at Dec. 31, 1949 as against $6,054,283 a year earlier. Not included is the holding in Sigma Mines with a market value of $5.3 millions and the holding in Campbell Red Lake.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion prod.	$5,494,834	$5,463,596
Add: Misc. op. rev.	13,132	30,366
Less: Oper. exps.	4,160,192	3,881,218
Oper. earns	1,347,774	1,612,744
Add: Oth. inc. (net)	493,986	490,366
Cost-Aid assist.	240,000	155,212
Net earnings	2,081,760	2,258,322
Less: Tax res.	288,000	417,000
Depreciation	212,489	101,512
Outside expl. w/o	100,417	113,996
Net profit	1,480,854	1,625,814
Less: Dividends	1,411,334	1,508,668
Surplus for year	69,520	117,146
*Deficit.		
Earned per Share	$0.76	$0.84
Paid‡	0.72½	0.77½

‡Dividend payable in Jan. of following year included in appropriations.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$703,308	$1,035,515
Accts., etc., rec.	295,267	277,351
Cost-Aid	75,290	45,249
Govt. & oth bds.‡	2,477,283	2,641,110
Shareholdings♦	1,491,658	1,629,987
Supplies	752,345	695,776
Total curr. assets	5,795,151	6,324,988
Prep. & def. chgs.	71,500	84,999
Invest. in subs., etc.	4,637,447	3,541,607
Mng. cls., props.	6,320,043	6,308,043
Plant & equip.†	495,787	438,691
Total assets	17,319,928	16,698,328
Bank loan	500,000	......
Accts. & tax. pay.	307,537	347,979
Other liab.	669,054	606,272
Total curr. liab.	1,476,591	954,251
Reserves	5,354,708	5,354,708
Capital stock	7,000,000	7,000,000
Surplus	3,488,629	3,389,369
‡Market value	2,767,515	2,534,653
♦Market value	2,762,712	2,420,000
†After depr. of	3,885,898	3,695,642
Working capital▲	4,318,560	5,370,737

▲Includes investments at cost.

OPERATING STATISTICS

	1949	1948
Tons milled	639,300	620,800
Average recov.	$8.60	$8.80
Ore reserves, tons	2,496,000	2,447,000

CAMPBELL RED LAKE MINES realized an operating profit of $342,055 in its initial seven months of mining from June 1 to Dec. 31, 1949. After addition of $226,381 of cost-aid and allowance for interest charges and write-offs, a net profit of $140,375 equal to 3.7 cents a share is reported.

Rated capacity of the mill is 300 tons daily but an average of 330 tons daily was treated during the period and at the end of the year 362 tons daily was being put through the mill, President Clifford W. Michel states.

One reserves showed an increase of 99,800 tons to 420,500 tons at the end of 1949 including 358,100 tons of unbroken ore averaging $17.58 a ton at $38.50 gold.

Average recovery from the 71,317 tons of ore milled was $12.40.

Extraction averaged 87.03%, reflecting partly absorption of gold in the mill circuit, but mainly numerous metallurgical difficulties which, at least in part, are being overcome.

Development on all levels continues satisfactory with grade of ore on three lower levels comparable to developments on upper levels, J. G. McCrea, general manager, reports.

Total indebtedness to Dome Mines at Dec. 31, 1949, was $2,516,915, $100,000 of repayment of advances having been made before the end of the year.

INCOME ACCOUNT

Year Ended Dec. 31:	1949
Bullion production	$884,263
Oper. expenses	542,208
Oper. profit	342,055
Add: Cost-Aid	226,381
Less: Depr.	206,245
Preprod. exp. w/o	143,926
Bond int.	68,890
Tax	9,000
Net profit	140,375
Earned per share	$0.037
None paid.	

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$98,684	$16,883
Accts. rec.	3,631	14,663
Cost-Aid rec.	111,250	......
Mat. & supplies	278,839	328,470
Total curr. assets	492,404	360,016
Misc. assets	18,614	19,038
Deferred devel.	1,500,945	1,232,389
Properties	120,000	120,000
Fixed assets*	2,209,589	1,303,908
Total assets	4,341,552	3,035,351
Accts., tax, etc., pay.	346,768	262,381
Due Dome Mines	559,436	......
Total curr. liabs.	906,204	262,381
Due Dome (def.)	1,957,478	1,685,475
Capital stock	1,337,495	1,087,495
Earned surplus	140,375	......
*After depr. of	206,245	......
Working capital	▪413,800	97,635

▪Excess of current liabilities over current assets.

OPERATING STATISTICS

	1949
Tons milled	71,317
Average recov.	$12.40
Ore reserves, tons	420,500

RELIANCE INSURANCE CO. OF CANADA reports net premium income of $406,623 in 1949, earned underwriting profit of $31,290 or 7.7% and total assets of $1.3 millions, all items being above the previous year's figures, and new records for the company. The average earned profit from underwriting operations for the company in the five years 1945-49 was 3.25%. Meanwhile the reserve for unearned premiums has been steadily increased. Vice-President and Managing Director S. M. Elliott at the annual meeting commented on the steep rise, particularly since the war's end, in the total premium income of the property insurance companies due in part to new construction and increased dollar values of existing property, and while the rate of increase appears to be leveling off, there is evidence in the details of fire loss adjustments of a continuing condition of uninsured or underinsured values in both fixed and movable property, particularly that of small businesses or proprietors and householders, and plenty of scope for the activities of insurance agents and brokers.

	1949	1948
Net premiums	$406,623	$368,658
Claims & loss exps. incurred	180,812	164,162
Expenses	160,252	[illegible]
Prof. fr underwriting		
Invest. income	28,179	26,049
Income taxes		
Divds. paid	15,000	[illegible]
Total assets	1,346,350	1,282,114
S'holders surplus	1,042,836	999,113

Alberta Issue Offered in U.S.

A new issue of $61 millions serial debentures of Province of Alberta is being offered in the United States this week by a syndicate headed by First Boston Corp. and including Smith, Barney & Co., Harriman Ripley & Co., Halsey, Stuart & Co., Wood, Gundy & Co., A. E. Ames & Co., Dominion Securities Corp. and McLeod, Young, Weir Inc.

The issue, dated March 1, 1950, consists of the following:

Principal Amount $	Coupon Rate %	Maturity Date
4,240,000	2.625	1961
4,360,000	2.65	1962
4,480,000	2.675	1963
4,600,000	2.70	1964
4,370,000	2.725	1965
4,860,000	2.75	1966
5,000,000	2.775	1967
5,140,000	2.80	1968
5,290,000	2.825	1969
5,440,000	2.85	1970
5,600,000	2.875	1971
5,770,000	2.90	1972
1,490,000	2.90	1973

The 1961 and 1962 maturities are being offered to yield 2.625%, the 1963 to 1968 maturities to yield 2.75% and the 1969 to 1973 maturities to yield 2.875%.

Proceeds of the sale together with such general funds of the Province as may be necessary, are to be applied to the redemption on June 1, 1950 of the $61,067,300 principal amount of debentures of the Province payable at the option of the holder in U. S. dollars and maturing subsequent to Jan. 1, 1961, which were issued prior to March 1, 1950 under the Debt Reorganization Program of 1945. The debentures to be redeemed are callable on 60 days notice at 100% of the principal amount thereof plus accrued interest.

The Province will also call for redemption on June 1, 1950 and retire from its general funds (a) £840,801 of Alberta Government stock currently outstanding and maturing June 1, 1979 and (b) $14,486,100 of debentures currently outstanding which are payable in Canadian dollars and mature in various years from 1963 to 1980 inclusive.

Cdn. Acme Screw Plans New Plant

Canadian Acme Screw & Gear, Ltd. has purchased a 70-acre area on the west side of Dufferin St., north of Eglinton Ave., in Toronto. The site, over half a mile long, is the largest taken up in Toronto in three years.

Company officials are making provisions for the future when major engineering changes in automobiles will necessitate new tooling equipment and changed plant lay-out. Canadian Acme is engaged in contract manufacturing of a variety of parts and assemblies and specializes in automotive parts and screw products. Company feels car manufacturers' requirements could be more advantageously supplied from an entirely new plant where consolidated operations might be carried out.

New high compression automobile engines are likely to make their appearance in the next few years. New high tensile steel will be required to withstand the increased compression ratios built up in the cylinders. Other important assembly changes will have to be made.

Canadian Acme is a wholly-owned subsidiary of Russell Industries Ltd. and operates 400,000 sq. ft. of plant and buildings in West Toronto.

Record Sales For B. A. Oil Co.

Both January and February sales of British American Oil Co. represent a new high for these months. Normal increase in gallonage of gasoline and fuel oil was said further accelerated by weather conditions.

Various types of waxes made in Canada from products of B-A's Clarkson refinery as well as lubricating oils and asphalts are now being exported in quantity to more than 30 countries throughout the world, the company reports.

CANADA MALTING CO. LIMITED

NOTICE

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of CANADA MALTING CO., LIMITED, will be held at the Royal York Hotel, in the City of Toronto, on Tuesday, the 25th day of April, 1950, at the hour of 11:30 a.m., to receive and consider the report of the Directors, the balance sheet, statement of profit and loss and earned surplus, and the auditors' report thereon, to elect Directors for the ensuing year, to appoint Auditors for the ensuing year and fix their remuneration, and to transact such other business as may properly come before an Annual Meeting.

By Order of the Board,
GEORGE J. WILLIAMS,
Secretary

Toronto, Ontario, March 7, 1950.

NOTICE to Holders of Share Warrants under the Regulations of the Company adopted by the Company.

Holders of Share Warrants, in order to vote at the above Meeting, must deposit their Share Warrants with The Toronto General Trusts Corporation, the Transfer Agent of the Company, or with [illegible] bank, and receive a voting certificate, which must be [illegible] the Meeting or filed with a proxy before the Meeting. Forms for this purpose may be obtained from The Toronto General Trusts Corporation, the Transfer Agent of the Company, at its Toronto office, or from the office of the CANADA MALTING CO., LIMITED, Foot of Bathurst Street, Toronto.

GOVERNMENT AND MUNICIPAL BONDS

BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920
MONTREAL TORONTO WINNIPEG

Nanaimo-Victoria Power Line Work

Construction of the Island power line of the B. C. Electric Co. to Nanaimo to link its system in Victoria with the John Hart Power Development at Campbell River is proceeding rapidly.

Work was resumed early in the year, but was held up several weeks by snow and bad weather. The line is to be completed by Sept. 1, 1950.

Half of the estimated $3 million project is now completed. With 173 towers in place of the 357 to be erected, more sites are being laid out on the 63-mile-long line, the company states. Meanwhile contractors are fabricating the balance of the towers.

The electrical contractors will be on the job April 1 to carry through the remainder of the conductor stringing, it is stated.

CITY OF KITCHENER, Ont. has sold a new issue of $607,000 3% debentures, dated April 1, 1950 and due April 1, 1951 to 1965, to a syndicate consisting of Wood, Gundy & Co., Dominion Securities Corp. and the Imperial Bank of Canada at a price of $101.27 or a cost basis to the city of 2.82%. Proceeds are $475,000 for the Kitchener-Waterloo Hospital and $132,000 for street extensions. There were 11 other bids.

Expect CPR Issue Conv. Debentures

Offering of a new issue of convertible debentures of the Canadian Pacific Railway Co. is expected to be announced soon, The Financial Post understands.

The issue will consist of $20 millions of 3⅛% convertible debentures due 1970 which will be convertible into common stock at $25 a share during the first 10 years, The Post understands.

Offering price is expected to be $98.75 and accrued interest to yield about 3.20%. The offering would be made by a large syndicate headed by A. E. Ames & Co.

ATTENTION MANUFACTURERS

Two men covering British Columbia are desirous of obtaining another line pertaining to either Men's or Ladies' Wear on a commission basis. Please write Mr. B. J. Warner, c/o Box 702, Victoria, B.C., if interested, stating approx. volume expected, etc. All replies will, of course, be treated confidentially.

SALES REPRESENTATIVES REQUIRED

Our company in the course of its expansion has openings for a limited number of high-class, thorough and aggressive salesmen.
The representatives required are to call on the retail lumber dealers, hardwares, builders supplies, architects, general contractors, roofing contractors, engineers and industrials.
Salary, bonus and expenses are paid to our sales representatives. The Company has pension and other welfare facilities.
Our present staff are acquainted with this advertisement.
Give past experience and references in letter addressed to:

ALEXANDER MURRAY & COMPANY LIMITED
147 University Avenue, Toronto 1, Ontario.
(Division of: Dominion Tar & Chemical Co. Limited)

ESTABLISHED LIMITED PRIVATE COMPANY
FOR SALE

A very profitable and permanent business not dependent on booms or depressions, mail orders or gadgets. Lifetime opportunity for an engineer or executive to have a solid business of his own. Forced sale will be snapped up quickly, at $60,000 cash.

BOX 106, THE FINANCIAL POST, TORONTO.

"It's B-A all the way" ...

"B-A" — is held by over 18,000 shareholders of whom over 96% live in Canada.
— has paid dividends on its common stock each year since 1909—now pays at the annual rate of $1.00 a share.
— with all its subsidiaries has earned an average of $2.00 per share for each of the past 10 years—earned $2.62 per share for the year ended December 31st, 1949.
— has proven oil reserves in Canada and the United States totalling approximately 67 million barrels of crude oil. This is equal to approximately 21 barrels per common share to be outstanding after current financing.
— has a promising future. Profits from refining and distributing should increase with the growth of Canada, while profits from Western oil developments should reach substantial proportions.

We, as principals, offer*:

The British American Oil Company
Limited
Common Shares of No Par Value
Price: $26.125 net per share
to yield 3.82%.

These shares are being offered to pay in part for the expansion of B-A's Montreal refinery, in part for a new refinery at Edmonton, and in part to increase marketing facilities in Canada and exploration and development of crude reserves.

This offering is described fully in the official prospectus. We suggest you send for your copy to-day to obtain a comprehensive picture of this company's participation in the major United States oil fields and in Western Canada's important oil discoveries.

** This offering is made subject to prior sale and change in prices, if, as and when issued.*

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The Editorial Page

Let's Keep After These Markets

Twice since the end of the war the democratic nations of the world have got together around the conference table with the aim of easing the restrictions on international trade.

There was the famous meeting at Geneva in 1947 and later the same group with some additional members got together again at Annecy, France. Now a third round of negotiations is scheduled for this fall at Torquay, the well known resort centre on the mild south coast of England.

With the professed aims of these conferences no one with the slightest knowledge of the vast importance of world trade will quarrel. Unfortunately, however, when actual results are measured there will be grave doubts. So many "escape" and similar clauses were written into the Geneva Agreements, that aside from the purely Canada-U. S. end of the business there was little if any net gain.

These clauses were supposed to be of temporary nature only, to protect the war-hit nations that did not think they could face immediate world competition. But practically all of them are still there and they are now being used, according to The Financial Post's Ottawa correspondent, to maintain the national aims of "full employment" and the needs of the "welfare state." As a result instead of freeing world trade the Geneva and later agreements have actually produced still more restrictions, still more rigidity.

So long as there is any hope of reform, it would not be wise for Canada to cut itself off entirely from these world conferences. But we might as well face the fact that they are not likely to solve our troubles overnight. And certainly we should not concentrate on them to the exclusion of other deals we might make much closer to home.

Right next door with the United States and also with the other Western Hemisphere nations farther south there are opportunities for greatly expanded trade. An enormous increase in our exports in that direction since the war indicates the possibilities. Our new discoveries in oil and iron ore, our new industrial strength and diversification make us more valuable as a supplier, more valuable as a customer.

We can still hope for world-wide trade reform. We can still work for it. But at the same time no effort should be spared in pushing our trade with the South.

It Makes No Difference

W. S. Fisher, one of the members of the three-man Income Tax Appeal Board, is to be highly commended for his statement of policy in a recent decision.

In the case of an unnamed judge, who was seeking exemption from income tax on $15,000 which he received as a special honorarium for his services as a Royal commissioner on a provincial enquiry, Mr. Fisher, in his judgment, stated:

> "Any appellant appealing to this board appears solely as a taxpayer appealing against an assessment, and it makes no difference what his position in civil life may be, whether he be the most learned or the most illiterate, the richest or the poorest, or any of the many other extremes which we find existing among taxpayers, each and every appellant is entitled to the same consideration when he appears before this board."

That is the basic principle on which British courts, and Canadian, have built up their reputation. It is a principle which each and every member of any judicial body should keep in front of him at all times. And it is well to have it stated in public at times to emphasize its importance.

End This Discrimination

As an argument for federal aid for higher education the National Conference of Canadian Universities stresses the fact that technical training in certain lines is only available in some of the provinces and the others depend upon that training for their own supply of the necessary personnel.

The argument runs like this: "A dentist graduating from an Ontario college may set up practice in Nova Scotia or Saskatchewan. Why then, should Ontario alone provide financial aid to the college that made him a dentist?"

Whether or not that is an adequate reason for Ottawa stepping in with aid it certainly brings up another point which The Financial Post and others have been stressing for some time, namely that in some professions and trades certain groups have been doing their best to bar the services of fellow Canadians who may have been trained in another province.

In the practice of law we have a glaring example. Until he pays what amounts to a prohibitive fee, a graduate of, say, Dalhousie, cannot practice in Ontario or British Columbia. Those responsible for this state bluntly that the reason is purely and simply to preserve the local market for the local graduate.

There is no shadow of excuse for this sort of thing in a country which is supposed to be free, united and democratic. There should be equal opportunities for all citizens no matter where they happen to be born or trained.

Certainly if the Federal Government decides that it should lend some financial support to education, then it should seize the opportunity to wipe out immediately and entirely any provincial discrimination. Not one penny of assistance should be considered so long as these bars remain.

If there is any difference in the quality of the training in the various provinces that also can be quickly remedied by setting up uniform and national standards.

In this world today there are far too many restrictions on the free movement of people, services and goods. We can do without that sort of thing entirely within our own boundaries.

Tut-Tut

If one is to take seriously some of the dire predictions made at the convention of the National Dairy Council this week then Canadian agriculture is a pretty fragile industry indeed, unable to stand even a tiny bit of competition.

Margarine, even in its present near-white appearance, is, of course, the villain. Already, though only on sale for about a year, it has just about put the Canadian dairy farmer in the poorhouse, according to NDC, and started most of the other kinds of farmers on the way.

One wonders how a product that all other countries find safe as well as palatable can be so dangerous in Canada.

Margarine has been sold for years in the United States and yet the farmers in that country, even the dairy farmers can scarcely be described as poverty-stricken. It has also been manufactured and sold in such predominantly dairy countries as Holland and Denmark, in fact its production is a major industry there, and again agriculture and dairying seem to have survived.

The National Dairy Council should send some investigators into these other countries and find out how it is done.

Report From British Columbia

In another survey of economic areas of Canada, The Financial Post this week devotes a special section to British Columbia.

There, growth and change in 30 years have been truly extraordinary. Even more remarkable were developments of the booming 1940's. Population on the Pacific coast rose 40.6% in that single decade, by far the biggest percentage gain of any province.

Manufacturing gross value in 1949 is put at $960 millions, or close to 10% of the national total; gross value of all production is put at $1,665 millions, or $1,500 for every man, woman and child in the province.

The Post's report on British Columbia finds unemployment diminishing at a faster clip than anywhere else in Canada. It discerns in office and street none of the gloom over exports ascribed recently in some quarters to agriculture and the fisheries. The vital lumber industry, on strength of U. S. demand has lost little or nothing. Despite some disquiet over a declining sterling market for salmon, apples and eggs, agriculture and the fisheries, instead of moping, are pushing alternatives, exploring new markets and processes, planning new promotion in Canada and United States.

Meanwhile, capital investment generally and expansion of secondary industry in particular are proceeding in volume little diminished from the record levels of 1949. Expansion of power, transport and communications facilities also is proceeding much as in recent years; which is to say that once more, in 1950, it will be in terms of many millions of dollars of corporate and public investment.

Helping support the purposeful and the evident quiet optimism of British Columbians is the current spending by Aluminum of Canada of $1 million on power and other surveys looking toward possible early building of a giant aluminum industry and townsite 100 miles south of Prince Rupert, where Celanese of America is building a multi-million-dollar cellulose acetate pulp plant.

Current extension northward of the Pacific Great Eastern Railway and current near-completion works on the John Hart highway have combined with the aluminum and Celanese projects and oil-gas activities to set Coast folk and business management dreaming of a new trade and industry empire of the Northwest.

It is of such bold dreams that empires are made fact.

Unfair to the Motorist

Careless pedestrians involved in motor accidents are being treated too leniently by the courts, a Manitoba Appeal Court judge recently declared. There will be general agreement with that statement.

In far too many cases where the victim is entirely to blame, the helpless motorist is assessed heavy damages. Particularly is this true when the jury learns that the vehicle owner carries accident insurance.

This attitude is both unfair and dangerous.

It is unfair to the careful motorist and the insurance companies and is a potent factor behind the steady increase in accident insurance rates. It is dangerous because it puts a premium on carelessness, which by long odds is the greatest single cause of all traffic accidents.

How to End Taxes

Most rural municipalities in Canada think they are doing very well indeed these days if they can hold tax levels down to anything close to previous levels. But they would get a shock if they went to Sweden.

There some counties very similar in climate and area to those of the more thinly settled section of Eastern Canada, have abolished municipal taxes altogether. And they have done this without the slightest sacrifice in municipal service. In fact their schools, roads, parks and public buildings, etc., are equal if not superior to ours.

The rich uncle in this Swedish story is the forested area which the Swedes cherish and we so often neglect. Robson Black tells about it on page 12. For almost a century municipal forests have been major sources of revenue in Sweden, some of them such successful sources that they now look after all municipal expenditures. As well they conserve moisture, prevent floods, furnish healthy recreation areas for home folk and tourist.

A few Canadian municipalities have begun to follow the example of Sweden. It will be many years before they are in position to send out their tax bills marked "paid" but at least they are turning dangerous and costly eyesores into valuable assets.

Why Not Our Potatoes?

Almost every time Canadians have shipped a few extra potatoes to the United States, certain legislators from Maine and other interested states have kicked up a fearful fuss. To listen to them one would think we were flooding the American market and invading some sacred territory.

Instead of giving in, as was the case a year or so ago, Ottawa should deal firmly with these pressure tactics and so should the far-sighted average American.

Actually the United States does very well in this potato business, Canada being a big buyer during the early part of the season. But that is only part of the story.

Potatoes are part of a very substantial trade in fresh fruits and vegetables from which growers in both countries derive a great deal of benefit. But the net advantage is overwhelmingly with the United States. Our total imports from the U. S. last year were $39.9 millions, our total exports to the U. S. $19.9.

When a few potato plutocrats from Maine start clamoring for an embargo against Canada they are risking the loss of a very important market indeed for a lot of other American fruit and vegetable growers.

Napier Moore's

Scratch Pad

IN HIS SYNDICATED COLUMN that ebullient showman Billy Rose recently announced: "The Halifax Chamber of Commerce can show you the place to start digging for the Oak Island treasure."

A Halifax newspaper reports that within two weeks the city's Board of Trade received five enquiries about Oak Island.

Citizens of Chester, N.S., could be excused were they to feel slightly piqued about this. Oak Island is at the head of Mahone Bay; clearly visible from and close to Chester. Halifax is 45 miles away.

Year's ago, Chester's Board of Trade issued a folder referring to the town as the "location of Captain Kidd's Treasure!" At the top was a map of Oak Island. And superimposed on the map was the head of a pirate — bandanna, earrings, eye-patch n' everything. Since then it has been pretty well established by historians that while pirate ships undoubtedly prowled around the 365 islands in the bay, Captain Kidd never came near Nova Scotia.

We know Oak Island. We've gazed down its several shafts. We've listened to many tales about the "money pit," and heard Thomas H. Raddall, the novelist, saturated in the lore of Nova Scotia's south shore, pooh-pooh the idea of buried treasure. But nobody can explain the mystery of the original shaft. For 155 years this cunningly engineered safety vault has frustrated every attempt to wrest its secret.

* * *

It was in 1795 that three men—Smith, MacGinnes and Vaughan — hunting game on Oak Island, noticed an interesting depression in the ground and a furrow in the overhanging branch of a large oak. They began digging; came upon a shaft about eight feet in diameter. At 10, 20 and 30 feet they struck floorings of heavy oak, the planks stepped well into the hard clay walls. Unable to get equipment and help, the trio quit.

Seven years later, an organized company started in. Going through bulkheads every 10 feet, at 98 feet workmen reached a flooring covered with layers of coconut fibre and bearing a large, flat stone. Then the shaft suddenly filled with water. It was sea water.

In the course of subsequent attempts to solve the mystery, different companies encircled the pit with shafts from 100 to 160 feet deep; found a cross tunnel admitting the sea from the shoreline to the pit, and drains; brought up with an auger drill, which went through successive layers of oak and metal, a piece of sheepskin parchment with ink marks on it and part of a gold watch-chain; tried to pump the shaft dry.

Always the work had to be abandoned. There were slides in the pit, cribbing collapsed, a dam on the shore was destroyed by a gale, and the most powerful pumps couldn't keep pace with the Atlantic Ocean.

One theory was that whoever constructed the doings had somewhere a shut-off gate to keep the sea out as required. It has never been located.

In the belief that at the bottom of the shaft may lie rich booty pirated from the Spanish galleons of old, men —and some pretty hard-headed men —have poured many thousands of dollars into the holes on Oak Island. They have argued that whoever designed the shaft wouldn't have gone to all that trouble unless what it contained was of immense value. But nobody knows why, if treasure was buried there, it was never reclaimed. And nobody yet has been able to overcome the obstacles imposed by time and nature.

Oak Island is one of the best kept secrets of all time.

* * *

IN "PROGRESS," a magazine published in Dublin, we were reading with academic interest an article describing "A Visit to the Largest Stout Brewery in the World" when we were confronted by a statement that stopped us with a jerk.

It said that St. James's Gate, Dublin, a brewery site since 1670, was in 1759 leased to Arthur Guinness "for a period of 9,000 years."

Feeling that any lease with 8,809 years still to run was worth some attention, we decided to do some checking. We happen to know Anthony Guinness, member of the present family, who lives in Montreal. So we sent him a query. The reply came back that Mr. Guinness was in New York. We relayed the query to New York. Promptly Mr. Guinness wired that 9,000 years seemed unfeasible; suggested we call Sir Hugh Bevir, managing director of the brewery, who happened to be at the Ritz-Carlton in Montreal. We got our Montreal emissary to get in touch with Sir Hugh. He settled the matter. He said 9,000 years was wrong. The lease was only for 999 years, as from Christmas Day, 1759.

So, only 800 years from now somebody will have to start worrying about a renewal.

Stop Me If —

The sick man had been delirious with fever for days, but now he regained consciousness and became aware of his comfortable bed and the gentle assurance of cool, loving hands. "Where am I?" he asked weakly. "In Heaven?"

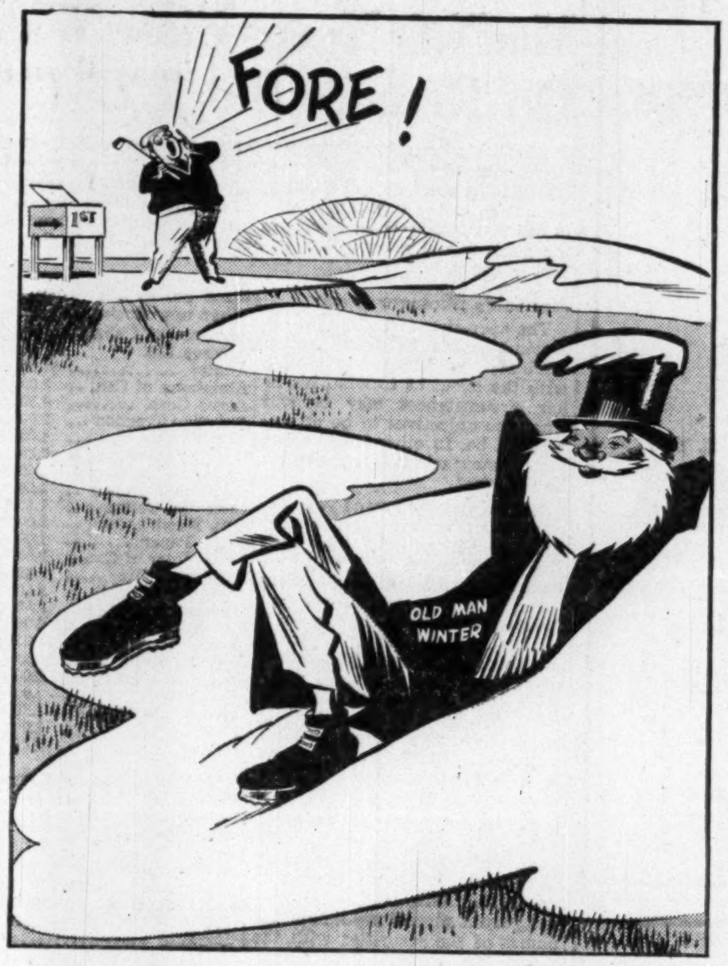
"No, dear," said his wife soothingly, "I'm still with you."

* * *

A man was drinking a glass of beer at a bar when another man came in and ordered a whisky and soda. He drank it, walked up one wall of the bar, across the ceiling, down the other wall and then out of the door.

The beer drinker was shocked. He turned to the barman and said: "What a peculiar fellow!"

The barman nodded. "Yes, isn't he? He never says good-night."



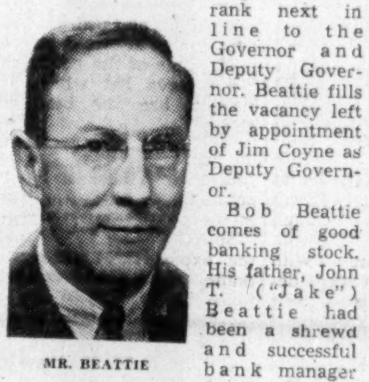
Cartoon by Grassick.

WORN OUT HIS WELCOME

Post Scripts

Charter Member

One of the most important recent shifts in Bank of Canada personnel is the naming of J. Robert Beattie as an executive assistant to the Governors. There are two executive assistants in the bank's roster. The other is Louis Rasminsky. These two rank next in line to the Governor and Deputy Governor. Beattie fills the vacancy left by appointment of Jim Coyne as Deputy Governor.



MR. BEATTIE

Bob Beattie comes of good banking stock. His father, John T. ("Jake") Beattie had been a shrewd and successful bank manager for the Bank of Commerce until his retirement in 1940. After the usual itinerant service, mostly in Western Canada, Beattie Sr. settled in Winnipeg where for many years he piloted the affairs of the Portage and Donald branch, opposite Eaton's store. He's credited with actually building up the bank's business during the depression—no mean accomplishment.

The Beattie family was living in the mining town of Greenwood, B.C. when Bob was born 40 years ago. There followed a spell in Melfort, Saskatchewan, before the family settled in Winnipeg. Bob won the Governor General's Gold medal in 1930 and a Rhodes scholarship. He spent almost three years abroad taking a degree in mathematics plus reading in economics. Passports were easy to come by, and living was cheap so there was ample opportunity for long vacations in Europe with the funds left over from scholarship money. After getting his degree in Oxford he was offered an attractive job with a British firm if he would first take a business course at the London School of Economics. But Bob wanted to return to Canada, so he joined the actuarial department of Manufacturers Life in Toronto.

Just about the time he was finishing his associate exams for an actuarial degree, the MacMillan Royal Commission recommended that Canada should have a central bank. Beattie was beginning to feel it was economics that really interested him as a career, so he applied for a job His application was accepted and before the bank's doors opened in 1935 he was at work with one or two who formed the nucleus of a small research staff under Alex Skelton.

He became deputy chief of the bank's research department in 1941 and chief in 1944. In that time he's covered a range of studies and problems as wide as Canada itself and as deep-rooted as today's world economic problems in all their ramifications. In his new job he'll be free of administrative detail; will have time to let his mind explore new and fertile fields.

In his spare time, Beattie is a first-rate golfer; has also taken a very active part in municipal affairs prior to the recent absorption of Nepean Township (where he lives) into Greater Ottawa. He has a family of four daughters.

* * *

Speaks for 9,000 Restaurants

Two major problems face the restaurant business in this country. They are improving its relations with the public — it's social prestige, if you like — and undertaking a study of basic conditions surrounding the business.

This, at least, is the view of Finlay Duncan Paterson, newly elected president of the Canadian Restaurant Association. Paterson, whose name was incorrectly given in a recent issue of The Financial Post as John Finlay Paterson, is a banker turned restaurateur who sometimes wonders if he would not have made a better banker than he has restaurant operator.

Born in 1900 at Iona Station, Ont., he attended nearby Dutton High School and joined the Royal Bank in Toronto at the age of 19. Six years later he was assistant accountant in this bank's Yonge and Richmond branch in Toronto when he left to become understudy to A. S. Tindale, then president and general manager of Muirheads Cafeterias in that city. He stayed 23 years with Muirheads, now a unit of E. P. Taylor's Canadian Food Products operating restaurants in Toronto, Hamilton and London, becoming vice-president and general manager. Since 1948 he has operated his own establishment, Paterson's Belmont Restaurant at Sarnia, Ont. Married, with one daughter, Paterson plays quite a lot of golf, used to enjoy regular sessions of poker with a small group in Toronto and has taken up curling since moving to Sarnia.

Paterson was a charter member and later president of the Ontario Restaurant Association. This was absorbed by the Canadian Restaurant Association when the national organization was set up in 1944. He became a member of the first board of directors of the CRA and has since served as treasurer and vice-president prior to becoming president this year. During this six-year period the CRA has become a national group speaking for the 9,000-odd restaurants across Canada which last year did a record-breaking $274 millions business.

During the war Paterson was a member of the advisory committee to the Wartime Prices & Trade Board. Interested in education and restaurant personnel training he helped develop a two-year course for chefs in a Toronto technical school. He also aided in the organization and development of the Hotels, Restaurant and Bakery Trades School at the Ryerson Technical Institute in Toronto, serving as a member of its advisory committee until moving to Sarnia.

Paterson is past president and first honorary life member of the Toronto Kinsman Club and is now president of the Sarnia Club. While in Toronto he was a member of the executive committee of Ilahee Lodge, Cobourg, summer home for children suffering from diabetic and heart ailments, operated by the four Toronto Kinsman Clubs.

* * *

Comes By It Naturally

Albert Leslie Lawes, new president of the Shipping Federation of Canada, has been an important figure in Canada's shipping industry for a quarter of a century. He comes naturally by his interest in the sea.

Lawes was born in the great English port of Liverpool in 1896, was educated there and became apprenticed at 15 to a firm of ships brokers. For a time he worked with the CPR in Liverpool. During the first war he served with private firms as a civilian in Archangel and Murmansk on the north Russian Coast and also with the RNVR. For a short period he was in Bilboa, Spain, with a commercial firm, then from 1923 to 1925, he was manager of the Southampton office of United States Lines.

In the spring of 1925 Lawes came to Canada and with the late W. A. H. Hulton founded Montreal Shipping. He became president on the death of Mr. Hulton just before the last war.

During World War II, Leslie Lawes helped organize Canadian shipping at Ottawa at the outbreak, later served in Washington as representative of the Canadian Shipping Board. He has also been on various government committees concerned with the nation's shipping problems on numerous occasions.

Lawes says he's a hobbyist in the true sense, uses his workshop down in the cellar of his Westmount home a good deal, likes photography and cinematography. Mrs. Lawes, a native of Archangel, is the former Katerina Pavlova. They have three daughters, two of them married.

What Others Are Saying

Editorial of the Week

Right From the Shoulder

Vancouver Province

Canadians, from Prime Minister St. Laurent down, have been doing a little missionary work in the United States. They have been trying to tell our neighbors, in a friendly way, that they should lower their trade barriers to stimulate business between our countries.

But if Washington is impressed, a great many business and industrial interests in the U. S. are not. They are lobbying for higher tariff walls.

John A. Marsh, general manager of Canadian Exporters' Association, talks to such interests straight from the shoulder.

Addressing the New England Export Club Inc., in Boston, Mr. Marsh clearly pointed up the absurdities of our trade relationships with the U. S.

"Why should a country of 150 million people fear the marketing of a country of 14 million?" he asked. "You do not do justice to your mass productivity and your engineering ability and skill."

This is the kind of talk that registers, that should really make U. S. businessmen and the U. S. people generally think twice about their tariff restrictions.

No country, not even the United States, can afford to continue such one-sided trade relations indefinitely. Too many countries are buying far more from Uncle Sam than he buys from them. Eventually the exchange of goods will break down, injuring all parties.

Mr. Marsh has given Canadians a simple, forceful text they should preach whenever they go south of the border.

Other People's Views

INTELLECTUAL is not the word to apply to such men as Fuchs, asserts the **Ottawa Journal.** "Most of them, in intelligence, are children, reveal themselves as lacking pitifully in apprehension, in perception, in capacity to think straight—or to think honestly—about things that should have been obvious to the dullest."

AN INSIDIOUS POLICY is the way government price supports are described by the **St. Catharines Standard.** "They should be recognized for what they are, an expedient by which the governments keep on the right side of the producers, and farmers avoid the necessity of putting their operations on an efficient low-cost basis. So long as the public will stand for a price support policy the farm organizations will find reason for urging its retention and the urban consumer will continue to be the victim of unnecessarily high cost of living."

ABSORPTION of Saskatchewan by its two Prairie neighbors does not appeal to the **Winnipeg Free Press.** "Irvin Studer's suggestion that Saskatchewan should be divided between Alberta and Manitoba will strike many people as, in part at least, a proposal for throwing out the baby with the bath water. Since Mr. Studer's troubles, on his own showing, are largely taxable to a Socialist Government in Regina, it would seem much simpler and more logical for the people of Saskatchewan to dismiss that Government."

THE U. S. TALKS freer trade but is reluctant to adopt it, asserts the **Saint John Times-Globe.** "But—when you come down to brass tacks, it's not that simple. When European goods find their way into the U. S. market, and U. S. goods are consequently displaced, American workmen demand that the U. S. Government stop the foreigners from muscling in. The plain fact is that European products can't win acceptance and general good will in the U. S. unless they happen to be goods of a type which the Americans themselves don't make. In other words, if an English firm turns out elaborately-fashioned ceremonial swords, and there is no U. S. company manufacturing such swords, then no one in the U. S. objects at all to any organization importing as many as it wants. But when an English firm attempts to send in automobiles or radios or jackknives, then the fireworks start erupting."

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Mar. 25, 1950

Do Private Barter Deals Boost Trade?

Coleman Lamp Says 'Yes' – And Here's How They Work

Are there openings for private barter deals between Canadian exporters and foreign countries? How do they work? What are the danger points? Here's a special Financial Post report on how Coleman Lamp & Stove Co. have helped maintain their exports by barter deals.

By CYRIL BASSETT

They know Richard B. ("Dick") Spiro in the Canadian Exporters Association as one of the most resourceful operators in the business.

He has to be. As export manager of Coleman Lamp & Stove Co. Ltd.—50% of whose production goes to export—he has 70-odd markets throughout the world to keep active. The jobs of 400 depend on how well he and his export staff of 50 do their job.

This week—as he does periodically—Dick Spiro took a switch into the import business. Where, he wondered, could he sell cut diamonds and false teeth from Israel, coal from South Africa, medicinal herbs from the Netherlands, wines from Chile, fine porcelain from Belgium, goat hair from Turkey?

If he found the right—and profitable answer—more of the lamps, stoves and other articles turned out at Coleman Lamp's Toronto factory would move out to those tough markets.

For Spiro had some more barter deals cooking. He'd just concluded a major one. In Coleman's Toronto factory this week $50,000 worth of merchandise was being packed for shipment to Brazil. Into ship's holds in Rio de Janeiro was being packed Brazilian cocoa beans and cocoa butter destined for Canadian chocolate manufacturers. In the Coleman bank account would go their cheques totaling $50,000.

That's the way Spiro is currently doing 5-10% of his export business; how he's been doing it these past two years.

In that time he's averaged one deal a month, each worth on the average $20,000. Most importantly, for Coleman Lamp and its workers, that not only represents $500,000 of business the company could not otherwise have done, but the Coleman flag has been kept flying where dollar shortages and import controls would have pulled it down and hoisted a sterling competitor's banner in its place.

It's Tricky Business

And Spiro considers that for some years anyway, barter will continue to be an important part of his operations. The volume of such business, he says, is growing over all. And there are plenty of opportunities in the field for any exporter, whatever the size of his operation. But, he warns, it's a tricky business.

How? What are the mechanics?

It's not quite as simple as it sounds. Spiro sets down three sets of conditions which must be satisfied before a deal can be negotiated:

1. What commodity—or goods—does the market I wish to crack have in surplus or cannot readily dispose of for dollars? Will its government allow barter against the article I wish to sell?
2. To what use can the commodity be put? Where can I sell it? What's against a ready sale?
3. Am I able to finance the operation? Will I make a fair profit out of the deal?

Answers to No. 1 are easy to come by. The Import Division of the Department of Trade and Commerce is a principal source of such information. Foreign Trade, the Department's weekly publication, Foreign Commerce Weekly, published by the U. S. Dept. of Commerce and official trade publications of governments abroad are other sources.

It's the other two that can prove stumbling blocks. And Spiro emphasizes that the Canadian exporter who enters a barter deal without first holding a firm contract for the goods he's taking in payment for his merchandise is asking for trouble, can easily find he's giving his merchandise away.

In this respect Canada can prove a tough problem for the barter merchant, especially one dealing in commodities.

Here's why. Canadian importers have a traditional link with the New York commodity market. They've done business there for many years, operate an open account, and with an accepted set of standards built up over the years can buy sight unseen with confidence. They've no worries about whether the merchandise will be right for their needs, whether delivery date will be kept, whether there'll be any loss in shipment.

Nine times out of ten they'll have all these worries and a lot of detail work besides in the case of goods they're offered from some unknown house thousands of miles away. Consequently the first barter deal may be tough going.

That's the major headache for the barter exporter. There are others.

Many a barter deal calls for inducements at both ends and sometimes somewhere along the line too.

First there's the sale in Canada of the goods to be received. To make the deal attractive to the Canadian buyer the price generally has to be less than the market. Similarly a price advantage may have to be offered on the goods to be shipped abroad as a clincher.

Then there's the question of financing, letters of credit.

Here's what happened in the Brazilian deal mentioned above—the first big deal of this kind yet reported to Department of Trade and Commerce, incidentally.

First, there was a $50,000 letter of credit for the Brazilian supplier of the cocoa beans. This was a necessary condition of the deal to enable him to get the shipment cleared and to protect him against any breakdown in the deal at the Canadian end.

Then the Coleman agent in Rio had to raise $50,000 U. S. to pay off the cocoa supplier. Since he didn't have this kind of money Coleman was called upon to guarantee an advance from his bank to enable him to get going. Thus for a short time Coleman had $100,000 tied up in the deal. The agent, incidentally, **was held up for a 1% premium** when he went to buy the U. S dollars from the local exchange broker.

(Here it might be emphasized that while no currency leaves either country in these deals it's generally a condition that the man who supplies the goods to be bartered expects to receive payment from within his country in U. S. dollars.)

—Photo by John Steele.

RICHARD B. SPIRO

While all this may seem complicated at first glance the end result is the same as in a straight commercial transaction. Both parties get what they're after: sale of their goods at a profit, sales they wouldn't otherwise make.

How Deals Help Canada?

What are some of the wider implications of barter deals?

1. They can help, indirectly, Canada's own U. S. dollar position. Taking the Brazilian example again, most of Canada's purchases of Brazilian cocoa come via the New York market and therefore must be paid for in U. S. dollars. In other instances alternative sources of supply can be opened up for commodities for which U. S. dollars are now paid.

2. They can help Canada's bargaining position on tariffs with other countries. If we can show ourselves as an improved market for other countries' exportable products we are in a better position to seek preferred treatment in those countries for our own products.

Barter also helps in this latter instance in an indirect way. As noted above many of the commodities we have to import are bought on the New York commodity market. These therefore appear in our trade statistics as imports from U. S. and not from the original supplier. Through barter, it's contended, we can open up direct connections with those suppliers which can develop as satisfactorily as our dealings on the New York market; in this way we can both save U. S. dollars and bring greater flexibility to our trade.

Where are the fields for opportunity in barter?

So far, Spiro has done deals in Brazil, Egypt, Turkey, Paraguay. Britain and the Commonwealth countries he regards as tough.

"They're much more concerned with getting the actual dollars than they are the goods," he says. But he thinks South Africa might be a good proposition, nevertheless. And he pins his hopes on coal. South African coal, he estimates, could be laid down in Montreal at very attractive prices compared with U. S. coal of comparable types and quality. He gives $9.50 a ton as the average figure.

Where to Make Deals

Most of the Latin American countries are regarded as fertile fields for barter development as well as these offering the following products:

Turkey: nuts, dates, figs, goat hair, tobacco.

Afghanistan: astrakhan (Persian lamb).

Israel: cut diamonds, false teeth, citrus fruits.

Indonesia: peanuts; tin concentrates, tea and other products.

Benelux countries: fine porcelain, cut and plate glass, medicinal herbs.

Western Germany: chemicals.

Spain: cork, olives, olive oil.

French Ivory Coast: coffee and cocoa.

North Africa: olive oil.

How much of total export trade is it safe to do by barter?

Spiro says he would be willing to do up to one third of his business by this method. But, he emphasizes, you have be careful to get out when the terms start getting too much for your profit margin, your sacrifices have to be purely temporary.

Does barter once begun, tend to become a permanent feature of trade?

Spiro doesn't think so. There's little incentive in a free economy to maintain barter at the expense of straight trading, the detail work is only worth while when barter is the only way to keep trade moving. While he expects, as already noted, that he will be doing more barter trade in the immediate future, this is only because he's now getting deals concluded that have been hanging fire for a long time.

As conditions improve—and Brazil is an example of an improving currency situation—he says the barter angle slows down considerably. And if you've been in barter with that country you've got a head start on competitors that have been excluded in the period of restriction.

Spiro, who's spent 22 years in the export business in Europe, South Africa and Canada has toyed with the idea for his own operation.

"But where," he asks, "would I get the men? The few merchant traders we have in Canada have got all the work they can handle and it's a type of businessmen we just don't seem to breed.

"In the meantime, know anybody who wants any goat hair? Say, what do they use that stuff for anyway?"

Here's Shape of Quebec's $200 Millions Budget

MONTREAL (Staff) — After two years in which actual revenues and expenditures far outstripped budgeted figures, Quebec's budget for the 1950-51 fiscal year predicts income and outgo of just over $200 millions each — close to actual results for the past two years.

In his budget presented before the Provincial Legislature last week, Provincial Treasurer Onesime Gagnon estimated revenues of $201.3 millions, expenditures of $200.6 millions and a small surplus of $700,000 in the next fiscal year.

Estimated revenues for 1948-49 were $142.4 millions; actual, $194.5 millions. Estimated expenditures (ordinary and capital) $141.9 millions; actual, $225.4 millions. The 1949-50 budget predicted $176.6 millions revenues, $176.5 millions ordinary and capital expenditures. Actual results, on the basis of 11 months, will show $207.2 millions and $201.3 millions, respectively, in the current fiscal year ending March 31, Mr. Gagnon predicted.

The budget for 1949-50 forecast only a nominal over-all surplus of $150,000, but actual results are expected to show a surplus of $7.6 millions.

Reductions in the province's income are expected only in a few items, mainly corporation taxes, sales taxes and various liquor revenues (from sale of liquor by the Quebec Liquor Commission, special spirits tax and liquor permits and duties). This indicates an assumption that there may be falling off in business during the next fiscal year, but the decline is expected to be slight.

A somewhat lower appropriation for roads is planned next year — $37.9 millions in the current year and $50.4 millions the year before. Expenditures on health and education will also be lower, a budgeted $26.9 millions and $18.1 millions respectively ($30.6 millions and $22.9 millions in 1949-50).

Expenditures on capital account are expected to be higher next year ($31 millions vs $23.5 millions). These outlays would leave the $700,000 over-all surplus after deduction from the $31.7 million anticipated surplus on ordinary account. Mr. Gagnon points out that in the current year, capital outlays actually totaled $43.1 millions, but capital revenues covered part of this to the extent of $19.6 millions.

Net debt of the province is expected to total $280 millions at the year end, a reduction of $28.2 millions in the past five years. At March 31, 1949, net debt was over $299 millions, but province's sale to Quebec Hydro of hydro-electric power properties on the upper Ottawa for $20 millions recently, paved the way for the sharp cut in the debt.

Eastern Money Buys 15-Story Vancouver Bldg

From Our Own Correspondent

VANCOUVER — One of the largest real estate transactions, since the old Vancouver Hotel was sold two years ago to Eaton's, was concluded this week in Vancouver with the purchase of the Vancouver Block, 736 Granville, by unnamed Eastern Canadian interests.

Price was reported close to $1 million.

The building, which has long been a landmark in the downtown area, was built in 1912 by Dominic Burns, brother of Senator Pat Burns, founder of the western packing house interests.

At that time the 15-story structure was one of the largest of its kind in Canada. It contains 70,000 square feet of rentable space.

Later another large downtown office building also changed hands. This is the six-story steel and concrete Randall Building, West Georgia, which was sold by the Medical Clinic, a group of local doctors, to a Saskatchewan investor for around $250,000.

Canada Fights Rheumatic Diseases

9.5 Million Working Days Lost in Year

Ever considered that illness costs business more than strikes in terms of working days lost, skilled personnel taken from the job, dissipated investment in your human capital equipment?

That's the fact. And one set of diseases is responsible more than any other (apart from mental illness) for this kind of economic loss: arthritis and rheumatic diseases.

In 1946, Canada's highest-ever strike year, some five million man-hours were lost through work stoppages, but the two diseases account for almost twice as much lost time a year: 9.5 million working days.

And the yearly loss in wages, $54 millions, is about equal to a year's payroll for manufacturing industries in any one of four provinces: New Brunswick, Nova Scotia, Manitoba, Alberta.

Today over 600,000 Canadians are victims of these diseases; 15,000 of them are permanently confined to bed or wheelchair; 100,000 more are partially or totally disabled.

What's to be done about it?

Two years ago, recognizing the gravity of the problem, the federal Department of Health and Welfare called a conference of all interested bodies: the Canadian Medical Association, the Canadian Hospitals Council, all provincial departments of health were among them.

This conference recommended formation of a Canadian Arthritis and Rheumatism Society which is now getting to work. Divisions of the society have been established in nearly all provinces.

It plans to spend $225,000 for all types of research; $65,000 for fellowships to meet the acute shortage of physicians and surgeons with special training in these diseases; $315,000 to establish or extend arthritis clinics; $100,000 for mobile physiotherapy units; $144,000 for experimental projects in rehabilitation, for public education, for operation of volunteer projects.

To raise this money, a total of $850,000, the Society is making its first nationwide appeal for funds May 1 to 15.

Heading the campaign is Robert Fennell, K.C., Toronto corporation lawyer. Chairman of the Society is James A. Gairdner, Toronto investment dealer.

Complicating medical efforts to battle arthritic and rheumatic diseases is lack of knowledge of causes. That's why emphasis is being put on research in the Society's aims in an effort to cut down future incidence of the diseases.

But for the present, the Society points out, new drugs such as cortisone and ACTH offer hope that cure may be found and with present knowledge and adequate facilities about 80-90% of arthritis victims can remain or be made employable.

Says Clarence Selby, medical consultant to General Motors Corp., Detroit:

"Diseases of the organs of movement are not causes of death, only of impairment and disability. That finding is significant and the conclusion obvious. The industrial medical program should give special consideration to the prevention and control of the rheumatisms and other diseases affecting the organs of movement. These take priority and all examinations, consultations and health education should give special attention to them."

A breakdown by DBS of the economic loss attributable to these diseases in Canada showed the yearly value of time lost by industries as follows:

Agriculture, $22.1 millions; manufacturing, $7.7 millions; service industries, $6 millions; construction, $5.8 millions; trade, $5.1 millions; transportation, $2.9 millions; forestry and mining, $1.5 millions each; finance, insurance, $1.4 millions.

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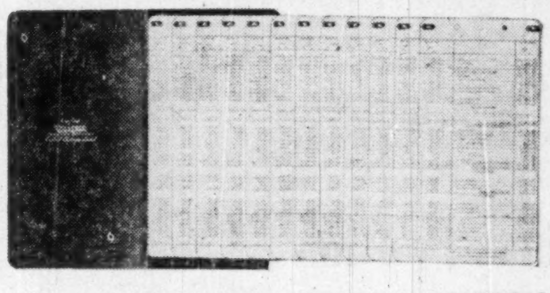

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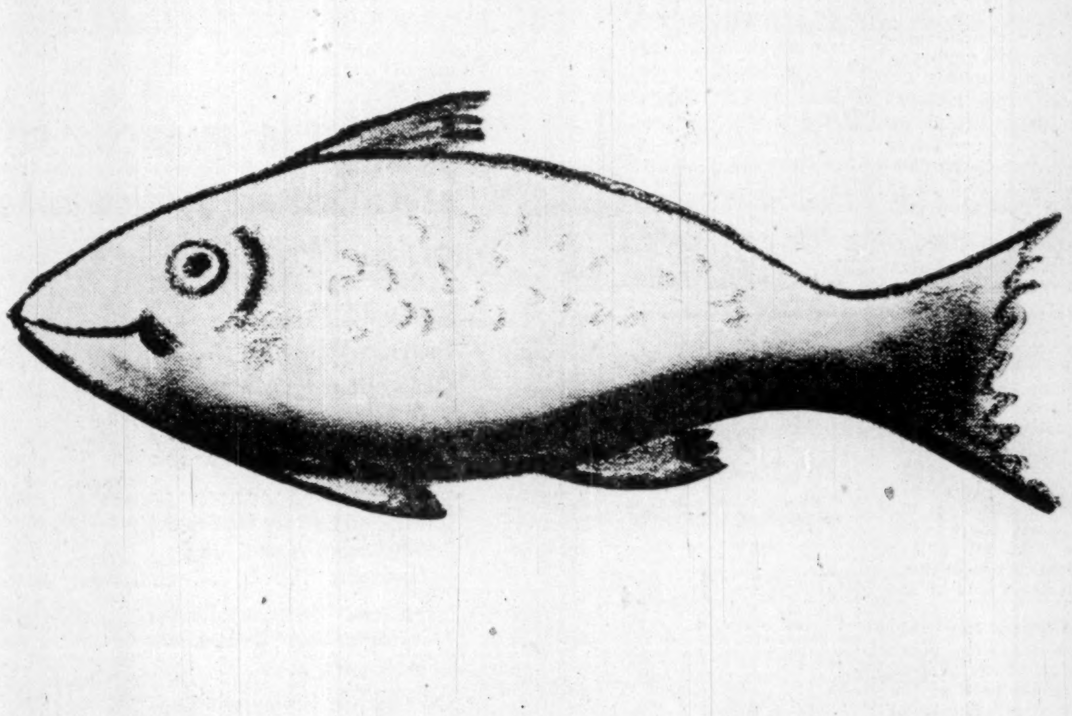

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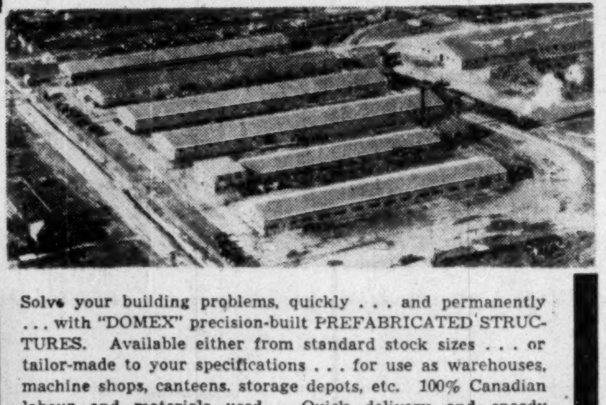

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Frost's Income Tax Plan May Hit Snag; Horse-trading Season With Ottawa Begins

OTTAWA (Staff) — Dominion-provincial tax relations now enter a new horse-trading stage with the staking of a $16 million claim on federal income tax collections by Ontario's Premier Frost.

In his budget speech last week at Toronto, Mr. Frost said he was now ready to accept the 1946 federal proposal for a tax credit payable by Ottawa to any province not willing to sign a tax rental agreement.

(The credit was to be not more than 5% of the amount collected by Ottawa in personal income taxes in any such non-agreeing province. In 1948-49, the credit would have been something under $17.5 millions had Ontario asked for it. For the future, Mr. Frost estimates the amount Ontario ought to receive as between $13 and $16 millions.)

But there's a catch in the offer. It's a catch which probably means some shrewd horse-trading between Mr. Frost and Mr. St. Laurent between now and the federal-provincial tax conference this autumn.

When the federal offer was made originally by Rt. Hon. J. L. Ilsley in 1946, it was specific as to amount (anything up to 5% of the tax payable to the Dominion by a taxpayer in the non-agreeing province). But it was implied, if not indeed definitely stated, that the credit would be paid only if the province imposed an income tax of its own.

The Ilsley Proposal

Put another way, Mr. Ilsley didn't in 1946 merely offer an unconditional tax credit to any or all "non-agreeing" provinces.

But he did say that if any non-agreeing province felt it had to impose a personal income tax on its residents, then Ottawa would go so far as to give a tax rebate to the individual taxpayer up to 5% of the amount that was already being collected from that individual taxpayer by Ottawa.

As yet, Premier Frost has not said he was willing to impose a direct provincial personal income tax in Ontario. All he has said, as reported in his budget speech text, is that he is now ready to take up the federal offer of 1946, provided that Ottawa collects the tax and pays over the 5% tax credit to his province.

This may seem like an argument without much real substance. (Especially in light of the 1946 proposal that Ottawa would be glad to give affected taxpayers duplicate tax forms and that the inconvenience to taxpayers would be lessened if the province in question were to impose its personal tax levy as a fixed percentage of whatever tax might be payable to the Dominion by the individual taxpayer.)

But the 1946 proposal, both at that time and in 1950, is not, apparently to be won as easily as Mr. Frost now suggests.

It is still argued in Ottawa that there has never been the intention to merely permit redistribution of personal income tax in the way Mr. Frost now proposes.

Would Ottawa Change Policy?

If Ontario wants to levy its own personal income tax (even though that levy is a straight 5% of the prevailing federal levy) then the original 1946 offer still holds.

But for Ottawa merely to follow the Frost plan and subtract 5% of its own Ontario takings to be handed over to Ontario as Mr. Frost now suggests, would mean a change in what Ottawa so far has been willing to do.

Presumably the intent of the federal offer was that federal money would not be handed over to a non-agreeing province merely by the province asking for it. There would have to be a provincial tax levy imposed on the people of the province and to the extent of one twentieth of the amount of federal tax collections, that provincial tax would be rebated.

But in his speech of last week, Mr. Frost says clearly he won't levy such a provincial impost without first going back to the Legislature for a mandate so to do. Right now, he says he's merely staking his claim to the 5% rebate, by asking Ottawa to refund to Ontario the promised one twentieth of what is now being collected.

That's the horse-trading argument which has now been put before Mr. St. Laurent for deliberation between now and next autumn.

Where Does Ontario Stand?

Statistically, the question raised by Mr. Frost, presents some interesting and important questions as to where Ontario now stands in relation to the tax agreements.

It has for some years been a controversy as between federal and provincial statisticians as to what Ontario actually lost or gained by staying out of the federal-provincial tax rental agreements.

In the 1948-49 Ontario budget speech, a table was published to show that in the war years, Ontario reputedly "lost" $108.2 millions by having tax agreements with Ottawa.

It was also estimated that the province "broke even" in 1948-49, and showed a gain of $12.6 millions in 1947-48. (These figures for these last two years are without any allowance for the fact that Ontario decided of its own volition not to impose a personal income tax after the war—even though it was free to accept the federal 5% tax credit offer as outlined above.)

Ottawa estimates suggest that the province has been running neck and neck with its tax levies when compared to what it might have collected under the tax agreements. But to do this, Ontario has levied a 7% impost on its corporations (as against 5% in provinces which have an agreement). It has also collected considerably additional sums in capital corporation taxes (between $7 and $8 millions annually).

These taxes are an additional burden on corporations in Ontario. Without these extra levies the amounts which Ontario would have collected would have been considerably below the amounts receivable under the agreements.

In the following rough estimates, the $100 millions for 1950-51 is based on Ontario budget estimates of revenue, plus the assumption that Ontario will reach an agreement with Ottawa that she would be able to claim the 5% tax rebate.

Comparison of Ontario's Position (Millions of Dollars)

	Under Tax Agreement	Actual Receipts†
1947-48	75	75
1948-49	79	81
1949-50	87	84
1950-51 (est.)	90*	100

†Includes estimate of $16 million from 5% personal income tax credit in 1950-51; in all other years receipts from corp. taxes, succession duties, federal subsidy and special mining duties only, are included.

*Minimum figure. Actual is likely to exceed this.

JOHN MACRAE

has been appointed assistant general manager, Bank of Montreal, in charge of Ontario branches.

'Met' Small Loans Won't Work Here

Plans of the Metropolitan Life Insurance Co. to start a program of loans to small businesses in the United States is more or less experimental and believed unlikely to be introduced in Canada, The Financial Post understands.

Conditions in Canada are different, both as regards the supply of bank credit and the general credit setup, and there does not seem to be any particular need which such a program would fill.

The Metropolitan Life, during the Congressional enquiry into life insurance investments last winter, became rather worried about government expansion in the credit field and the experimental plan is the result.

The company under the plan will make its loans through the banks. It will consider only such loans as the banks think sound but have turned down because of their size, term or because they would cause the bank to exceed its legal loan limit or not permit desired diversification to the bank's loans, etc.

The Met will lend up to $250,000 if a local bank will take 10% of the loan and the banks will service the loans and process applications for a fee. Loans would ordinarily be limited to 10 years, usually less, and would be repayable in regular installments.

Conditions which make the situation in Canada different are:

Canadian banks are national banks, while most United States banks are local unit banks. Accordingly, the Canadian banks can make large loans of a size unthinkable to a unit bank.

Canadian banks are not subject to diversification regulations, except their own lending policy.

Canada has the Industrial Development Bank to help finance cases which the banks can't handle, although in some cases the IDB and the chartered banks work together, the IDB taking the long-term part of a loan.

Credit sources generally in Canada are somewhat wider than in the United States. Even the chartered banks sometimes make long-term loans by buying serial notes under a trust agreement. Moreover in Canada a life insurance company can make loans to an individual usually, secured by a mortgage in addition to lending to corporations with a dividend record.

In New York State, life companies can lend only to corporations, not to individuals or partnerships. The Metropolitan is trying to get the New York State law changed to permit loans to individuals and partnerships.

Under the circumstances it is felt there is no need in Canada for a program similar to that of the Met in the United States.

LAKE WASA MINING CORP. has received payment for balance of March 4 underwriting of 194,250 shares at 50c a share under option agreements dated Jan. 4, 1950. Issued capital is 2,988,959 shares, leaving 1,011,041 in the treasury.

Car Insurance at Cost Voted Down in Alberta

From Our Own Correspondent

EDMONTON—A CCF-sponsored motion by Elmer E. Roper, CCF leader, that Alberta should provide automobile accident compensation and automobile insurance at cost was voted down 37-5 in the Alberta Legislature.

J. C. Landeryou, S.C., Lethbridge, termed Roper's motion "a typical socialist resolution." Economic Affairs Minister Hooke thought the Government would do better to consider how accidents could be cut down.

The two Liberal members of the House supported Roper. J. Harper Prowse, provincial Liberal leader, warned that insurance costs are becoming prohibitive and suggested that consideration should be given to placing the insurance on individual drivers rather than on cars.

QUEBEC LABRADOR DEVELOPMENT CO. March 8 installment of 50,000 shares at 20c a share and each subsequent installment under agreement with Clair Agency, have been extended for three months.

Short Position Drops on T.S.E.

Semi-monthly short position report of the Toronto Stock Exchange as of March 15 shows aggregate short positions, eliminating odd lots, on the books of member firms at 503,555 shares of 145 issues, compared with 519,520 shares of 145 issues on Feb. 28.

Largest net changes from previous compilation in individual mining stocks were:

Stock	Change	Stock	Change
C. Ansley	+14,000	Magnet	—5,000
Chester'lle	—12,000	Norlartic	—4,500
MacLeod	—7,800	Louvicourt	+4,500
Sherritt	—6,200	Mosher	+4,000
N. Norzone	+6,000	Piccadilly	+3,500

Largest changes in industrial stocks were:

Stock	Change	Stock	Change
Abitibi	+700	Gt. Lks. Pap.	+300
B.A. Oil	+685	Int. Paper	—200
Brown Co.	+500		

Here is the complete short position.

Stock	Shares	Stock	Shares
Abitibi	5,025	Int. Paper	2,310
Algoma Steel	200	Jaculet	2,000
Aluminium	115	Jellicoe	1,000
Anacon	3,500	Joliet-Que.	4,000
Ang.-Can.	400	Kerr-Addison	1,300
Argus	800	Kirkland L.	1,900
Ascot	5,000	Labrador	4,350
Atlantic Oil	4,600	Laguerre	2,500
Atlas Steel	1,400	Lake Dufault	1,400
Barnat	8,500	Lk. Fortune	13,000
Base Metals	9,000	Lake Shore	100
Bell Telephone	280	Laura Secord	100
Bidgood	500	Leitch	1,000
Bonetal	1,500	Louvicort	4,500
B. A. Oil	1,275	Lynx Yk.	2,000
B. C. Forest	700	Macassa	1,800
Brit. Dom. Oil	1,000	MacDonald	2,000
Brown Co.	500	MacLeod	13,100
Buffalo Ank.	1,400	Madsen	2,200
Buffalo Can.	2,500	Magnet Cons.	3,000
Cal. & Ed.	1,700	Malartic G.F.	1,200
Campbell R. L.	600	Marcus	5,000
Can. Cement	700	Massey-Harris	1,375
Can. North. Pr.	125	McIntyre	100
Can. S. S. Lines	400	McKenzie RL	7,000
Cdn. Brew.	2,000	Mining Corp.	800
Cnd. Celanese	50	M. & O. Paper	400
Cdn. In. Alco. Vot.	400	Mosher	21,000
		Negus	500
C.P.R.	750	New Calumet	2,900
Cdn. Vickers	200	N. Dickenson	1,600
Cent. Leduc	1,200	N. Goldvue	14,500
Chem. Res.	5,700	N. Norzone	6,500
Chesterville	20,200	Nicholson	6,500
Cochenour	3,200	Noranda	50
Cockshutt Plow	300	Norlartic	13,000
Common. Pete.	500	Normetal	2,600
Cons. Ansley	14,000	Northland	1,000
Cons. Beattie	700	O'Brien	300
Cons. Lebel	2,500	Okalta	200
Cons. Paper	525	Orange Crush	600
Cons. Smelters	455	Osisko	35,100
Conwest	100	Pacific Pete.	5,000
Croinor	5,000	Pen. Oreille	3,200
Delnite	400	Piccadilly	4,000
Discovery	2,000	Porc. Reef	7,300
Dome	100	Preston	4,400
Dom. Fabrics	50	Price Bros.	25
D. Stl. & C. B	800	Queenston	3,000
Dom. Stores	50	Quemont	700
Donalda	4,000	Quesabe	1,000
Donnacona	200	Reeves MacD.	1,000
Dulama	10,000	Royalite	400
East Malartic	4,900	San Antonio	2,800
East Sullivan	7,100	Sherritt	19,000
Eldona	4,000	Silanco	1,500
Eureka	5,500	Silver Miller	4,700
Falconbridge	200	Starratt Olsen	3,000
Fanny Farmer	170	Steel of Can. n.	100
Federal Grain	300	Steep Rock	9,400
Fed. Pete.	2,800	Sullivan	700
Foothills	200	Taku	26,500
Ford A	475	Teck-Hughes	500
Fraser Cos.	200	Tombill	1,500
Giant Yk.	4,800	Torbrit Silver	500
Globe Oil	1,500	United Keno	7,800
Golden Man.	12,300	Upper Can.	16,100
Gt. Lks. Paper	500	Ventures	600
Gypsum, L & A	100	Waite Amulet	600
Hard Rock	3,500	Winnipeg Elec.	750
Hosco	11,000	Walkers G & W	750
Hudson Bay	350	Y'Knife Bear	2,300
Imperial Oil	1,550		
Int. Nickel	100	Total	503,555

Jap Glove Threat Still Increasing

Japanese gloves captured 30% of the Canadian market in 1949 and total employment has fallen from 1,114 in November, 1948, to 747 in November, 1949, and 439 in January, 1950, The Canadian Woollen & Knit Goods Manufacturers Association reports. Four glove plants have been closed in Alliston, Seaforth, Mitchell and Palmerston throwing 140 people out of work, in these plants alone. Unless adequate values for duty are soon fixed, the balance of the Canadian glove industry will be destroyed, it is claimed.

Last week a delegation of manufacturers of knitted gloves appeared before the Tariff Board to argue that current fixed values for duty on Japanese gloves and mitts have become obsolete due to rising wool costs. It was argued that it was necessary to set a short term during which the current values would be effective thereby enabling the manufacturers to appeal again to the Minister of National Revenue for higher values which would more adequately protect Canadian manufacturers.

Plastics Tariff Before Industry

More than 200 representatives of the Canadian plastics industry appeared at a preliminary hearing of the Tariff Board this week to discuss the industry's request for additional tariff protection. A further hearing will be held in about a month, at which time the industry will make specific suggestions for tariff protection.

The delegation told the board that under present tariff regulations, the Canadian market "offers virtually a wide-open field for the plastics products of all countries." The delegation urged a comprehensive tariff schedule be set up, to help eliminate unfair competition.

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What's Effect of Gordon Plan For CNR Capital Setup?

How It Looks In Relation to Gov't Finances, Taxpayer, CPR

Should the capital structure of the Canadian National Railways be readjusted and, if so, how? That is one question which the Royal Commission on Transportation will have to answer.

CNR Chairman and President Donald Gordon gave an emphatic "Yes" as his answer last week and came up with a specific proposal (see below).

Implications of his plan, however, are widespread and require a searching appraisal both for the immediate and the long range effect. This should be done not only in relation to the CNR but also to the CPR, to government finances and to the taxpayer.

If the Gordon plan had been in effect in 1948, the CNR would not have had to pay $21,627,033 interest on loans from the Government and would have received $9 millions (representing 3% interest on the $300 millions fund to be set up) or a total of $30,627,033. After adjusting the CN's 1948 results for Gordon's plan, the CNR would have shown a deficit of $2,905,708. Its reported deficit for 1948 was $33,532,741.

The same adjustment applied to 1947 figures would have resulted in a surplus of $13,117,241 compared with its reported deficit of $15,885,194.

In 1948 the CPR showed net operating earnings of $18,419,166 and fixed charges of $15,890,264. In 1947 CP's operating earnings were $22,892,189 and its fixed charges were $15,787,174.

(CNR's vice-president and comptroller, T. H. Cooper, in giving the Commission background information early this week, stated that during the 26 year period 1923-48 CN's fixed charges averaged $50 millions a year, against an average net income available for payment of fixed charges of $30 millions. Even if the company were to be permitted to reach the break-even point, that would not be satisfactory, he said.)

Some Views on Plan

The reaction to Gordon's proposal varied widely according to the viewpoint of any individual. The Commission, itself, is examining CNR's financial officers for further details. Up to this mid-week few people had studied it closely enough to comment.

The CPR has no direct interest in the financial affairs of the CNR but feels that it should have some assurance that any such readjustment would not jeopardize the rate of return earned on railway property investment. As a result, it is certain to fight any drastic readjustment which might affect the setting of freight rates.

Individual views varied widely. Some points expressed were:

(a) "I think the idea is desirable although I don't know how far cutting the debt should go. It is obvious that the CNR is overcapitalized and should not have to continue as it is now."

(b) "I think it is just financial legerdemain It will only disguise the situation If the debt is to be written off, why not take it out of everybody's books."

(c) "What safeguards will there be to prevent the CNR having to recapitalize again?"

(d) "If this is the end of subsidies to the CNR, there may be a lot to be said for it. But that should be stated specifically and the CNR told that, in the future, if it gets in financial difficulties it will have to cut down expenses, abandon lines, etc."

Encourage Uneconomic Expansion?

(e) "Will not Donald Gordon's plan just encourage the CNR to embark on more uneconomic spending and expansion? Would not leaving that debt there tend to act as a check on uneconomic spending?"

(f) "If the CNR does show a profit what does that prove? The CPR says the CNR is operating at a high degree of efficiency now. This may be an expensive way of bettering morale. I am not too sure of why men work, and whether they work better for a company showing a profit than for one showing a loss as long as they are paid the same in each case."

(g) "The really significant thing about this proposal is that it seems to be made in order to contribute to the peace of mind of CN's executive officers. Now I always thought that when a man took the power and responsibility and income of a high executive post that he took his chances on ulcers as one of the costs of his position. Here you have people who are arguing that the nominal owners who have stood by the property over the last thirty years contributing almost continuously to it should now suffer their claims to be wiped out for the benefit of the managers only. I don't know any more perfect example of the way in which public ownership meets its nemesis by having the managers take over in this fashion."

(h) "If the CNR were operated by private enterprise, it would go through the wringer which would wipe out part of its debt and set it up as a going concern. That is all Gordon's proposal is doing. I think it is a sound move."

(i) "What about the CPR's uneconomic and development lines? Will the Government advance equity capital for it too, if it desires?"

(j) "In any settlement it should be remembered that the CPR pays income tax which the CNR does not."

(k) "What difference does it make, it all comes out of the same pocket anyway?"

CPR Viewpoint

The CPR's official view on CNR's recapitalization as stated in its submission of last October to the Royal Commission on Transportation is as follows:

"Canadian Pacific has no direct interest in the financial **affairs of Canadian National. It** believes that the present management of Canadian National has achieved a high degree of efficiency in the operation of the railways committed to its charge. Any measures designed to provide an incentive to continued and increasing efficiency on the part of Canadian National or any other railway are desirable. Nevertheless Canadian Pacific would be deeply concerned in any reduction in the fixed charges of CN unless the principle is recognized that CN should be permitted to earn a reasonable return on a reasonable level of railway property investment.

"Canadian Pacific as a privately owned enterprise, is competing with Canadian National as a government-owned enterprise. Heretofore, Canadian Pacific has been the yardstick accepted by the Board in fixing the level of freight rates in Canada. It has no desire to exclude Canadian National as an element to be considered in fixing freight rates but it points out that unless rates are fixed at such a level as will enable Canadian Pacific to earn sufficient to provide a reasonable return on its property investment, it can no longer as a privately owned enterprise attract to it the capital needed in its business. A reduction in the amount of the fixed charges of Canadian National, unaccompanied by some statutory assurance that its permissible earning power as a railway would not thereby be reduced, would offer a serious threat to the ability of Canadian Pacific to continue to function as a privately owned railway system."

How Railways Compare

A comparison of some of the CNR and CPR 1948 financial statistics is revealing.

The CN's debt per mile of road is nearly 2½ times that of the CPR. If the government-owned debt is taken out, it is only 7% higher and would be 21.8% lower if the CP's non-cumulative preferred stock were considered as debt. Similarly, it will be noted that fixed charges per mile of road for the CN are over double the CP's but would be reduced to only 13% higher if the interest charges on the government loans are eliminated.

But in addition to exchanging the $760 millions of interest-bearing obligations held by the Government for equity capital, Mr. Gordon proposes the Government should give the CNR a credit of $300 millions as a capital fund. This could be drawn on from time to time to retire interest-bearing obligations in the hands of the public or for capital additions to property. If this amount is deducted from the $584 millions of debt held by the public, the System's debt would be reduced to $284 millions — an amount less than the CPR's total debt of $397,475,229. Yet the CNR operates 23,401 miles of lines against the CPR's 17,033 miles.

"A realistic capitalization of the Canadian National must of necessity be related to its future earning power," Donald Gordon states. But these two factors interact. If the debt and debt charges were reduced far enough, the railway would be quite able to spend itself into trouble "in meeting the essential needs of the nation," one individual stated. Further if the CNR were given too good a deal, it might not press for higher freight rates when the CPR needed them. That is a main concern of the CPR as noted above.

How Railway Finances Compare

	C.N.R.	C.P.R.
Total Debt per mile of road	$ 57,470	$ 23,335
Total Funded Debt in Hands of Public per mile of road	24,966	23,335
Total Fixed Charges per mile of road	1,980	933
Total Fixed Charges on Debt held by Public per mile of road	1,036	933
Total Fixed Charges per dollar total Operating Revenue	.94	.42
Total Fixed Charges per dollar net Operating Revenue	1.75	.54
Total Debt Per Dollar total operating revenue	1.18	1.06
Net Operating Revenue per mile of road	1,133	1,732
Total Operating Revenue per mile of road	27,370	22,309
Total Debt Per Dollar Net Operating Revenue	50.70	13.47
Net Operating Revenue, 1948	10,175,630	18,419,166
Fixed Charges in 1948—To Public	23,202,818	15,890,264
To Gov't.	21,627,033	....
Mileage of Unprofitable Lines (with a traffic density below 250,000 gross ton miles)	5,700	4,400
or	24.4%	24%
Lines with traffic density of over 1,500,000 gross ton miles per mile	10,500	8,600
or	45%	47%

Here's Digest of the Gordon Proposals

Following is a digest of the statement on adjustment of the capital structure of the Canadian National Railways, given to the Royal Commission on Transportation last week by CNR President Donald Gordon:

Financial results of the Canadian National distort the true efficiency of system's operations. It is urgent that the true operating results be clarified.

Some of these distortions result from our capital structure. By comparison with other railways, an undue proportion of the CN capital is represented by interest-bearing securities.

The advisability of making a realistic adjustment of the capital structure and the extent of such adjustment, are the questions which arise. The Main CN Submission clearly indicates that such adjustment is imperative, and that it should be substantial in amount.

A realistic capitalization of the CN must of necessity be related to its future earning power. CN earning power from 1923 to date shows wide fluctuations. In some years earnings available for interest charges and other corporate needs have been substantial. In some other years, although there has been an operating surplus, there has been a deficit even before fixed charges.

Outlook for the CNR

As to the future, there are discernible trends which are adverse to net earnings.

Highway competition, already sizeable in amount, will tend to increase and will divert from railway earnings the higher grade traffic from which most net earnings arise.

Also to be considered are air transport and coastal and inland waters competition.

Future operations will be burdened to some extent by the deferred maintenance of property and the deferred renewal of equipment resulting from war. Reserves set up during the period of high earnings, have been seriously depleted by post-war inflation. Due largely to inflation, rolling stock stands in the accounts at figures far less than replacement cost. As a consequence, as replacements occur there will be an inflation of capital which, in turn, will adversely affect earnings through increased depreciation and interest charges, even though new equipment will be of an improved design, have greater usefulness and be more economical to operate.

Inflation bears with particular severity on the CN by reason of its relatively low-traffic density. There can moreover, be no assurance of the effectiveness, in so far as net earnings are concerned, of offsetting inflationary increases in cost by increases in freight rates, since it is conceivable that the railways, by such procedure, might price themselves out of the market.

Cost of Additional Lines

Additional branch lines to develop the natural resources of the country are expensive to construct and while they may be justified they are not likely for many years to produce sufficient railway earnings to pay the additional expenses, interest and depreciation.

The future earnings of the property, which form the basis of a rational capitalization, must reflect the effect of the foregoing facts and circumstances. In some years the property would do no better than meet operating expenses. In good times it would be reasonable to expect fairly substantial earnings.

For a property having these characteristics, it would be logical to consider that all of the capital should be in the form of equity and that none of it should be interest-bearing. However, since the country is faced with a situation in which the interest-bearing securities of the Canadian National amount to $1,344 millions (1948 figures), of which $760 millions is held by the Government and $584 millions by the public, it becomes a matter of practical policy as to how the capitalization should be restated.

Interest-bearing Capital

I have come to the conclusion that to show results of operation which would meet commercial tests, the amount of interest-bearing capital should be of relatively small proportions.

Here are some considerations:

(1) Interest-bearing obligations assumed with acquisition of insolvent railways

The Canadian Northern and Grand Trunk Railway Systems would not have been acquired by the Government had they been able to carry on as private enterprises. They were acquired in the national interest as going concerns instead of having been put through bankruptcy proceedings.

As a result there was taken into the Canadian National System at its inception, $804 millions of interest-bearing debt. Some, acquired from the Grand Trunk, included securities which under private ownership had been on a contingent earning basis; these were converted to a fixed interest basis as part of the acquisition. What proportion might properly have been written off or reduced to equity capital as a result of bankruptcy proceedings is, of course, impossible to determine now.

It is certain that there was no hope of attracting private capital in any amount whatsoever. It seems reasonable that the entire amount of the above-mentioned fixed interest-bearing obligations should be converted into equity capital.

(2) Run-down and semifinished condition of properties taken over

The privately owned properties, when taken over, were badly run down. Much of the rehabilitation expenditure was chargeable to operating expenses but inevitably a proportion of it was of a capital nature. The net investment expenditures of the system, 1923-1947 inclusive, have amounted to some $707 millions. At least $100 millions represented necessary improvements which did not add to earning power.

(3) Co-ordination costs

Co-ordination of these previously competing systems has required the expenditure by CN of $40 millions for main-line connections, belt lines and terminal rearrangements. Notwithstanding this, the property falls considerably short of having a proper location of main lines in relation to branch lines and of terminals in relation to its traffic pattern which would have been secured had the property been designed and constructed as an entity.

The system has more mileage than is functionally necessary to meet requirements. Excess mileage has been reduced to some extent by abandonment of duplicating facilities where this could be done without injury to the national economy.

There are 3,820 miles of CN line originally constructed as main line reduced to secondary lines.

Maintenance and operation of these lines is a burden upon the system which should be taken into account in considering capital structure.

The burden constitutes an operating disability in excess of $8 millions annually or an equivalent capital disability of $250 millions which might be described as negative capital. This, together with money expended upon co-ordination projects, totals $290 millions.

(4) Canadian Government railways

The Canadian Government Railways constitute a considerable portion of the system. Capital for these lines was provided by the Government free of interest. The CN System has since been burdened with interest-bearing capital of some $110 millions.

A pension fund, closed to new members in 1929, applicable to the Canadian Government Railways, is more expensive to support than the general CN pension fund to the extent of an equivalent capital amount of $25 millions. In conjunction with the $110 millions above mentioned, this makes a total of $135 millions.

While for purpose of this review, the sum of $135 millions is included in the statement of the system's capital burden, it is recognized that the Canadian Government Railways are now an integral part of the CNR for management and operation. Therefore, although it is reasonable that the CN be relieved of capital expenditures on the Canadian Government Railways and of their extra pension costs, it is considered that, if the measures recommended herein for the restatement of the capital structure of the Canadian National and the method of finding new capital are adopted, no special relief should be claimed for these items.

(5) Effect of acquisition of unremunerative lines in national interest

From time to time the Government has acquired lines of railway which had little or no net earning power in themselves, which were in a run-down condition and required rehabilitation. The CN income account was thereby adversely affected. These lines are:

	Cost	Mileage
Inverness R. & Coal Co.	$ 375,000	60.8
Kent Northern	60,000	26.8
Gaspe Lines	3,500,000	202.3
St. John & Quebec	6,000,000	158.3
Quebec, Mtl. & Southern	5,920,361	191.0
	$15,855,361	639.2

Cost of acquisition and of rehabilitation has amounted to about $18 millions. Incorporation increased operating expenses by reason of the obligation to pay wages at system levels and to assume pension liabilities, while transportation rates had to be reduced. It is appropriate therefore to set up negative capital of $12 millions which, added to the cost of acquisition and of rehabilitation totals $30 millions.

It is anticipated that operations of the Newfoundland Railway and Steamship Services will burden the system income account to the extent of $4 millions yearly. Expressed in terms of negative capital, this amounts to $134 millions. Further, substantial capital will also be required to improve the property.

Operation of the Temiscouata Railway will adversely affect CN net annual income to the extent of $180,000, the equivalent of $6 millions in terms of negative capital.

The total of the capital items in this group is $170 millions.

(6) Effect of development lines

Large amounts of capital have been spent upon development branch lines, the whole cost provided by interest-bearing obligations, whereas in sound financing procedure, a substantial percentage of the cost should have taken the form of equity financing. The amounts so expended total $85 millions, and if a minimum of 40% be taken as the amount which should represent equity capital, the CN capital burden is in this respect excessive to the extent of $34 millions.

Summarizing the above, the following statement of excessive capital burden upon the Canadian National System is obtained:

	$ Millions
Interest-bearing obligations assumed with acquisition of insolvent railways	$ 804
Run-down and semi-finished condition of properties taken over	100
Co-ordination costs	290
Canadian Government Railways	135
Effect of acquisition of unremunerative lines in national interest	170
Effect of development lines	34
	$1,533

This statement evidencing excessive capital burden of $1,533 millions (which is in excess of the Fixed Charge Debt of Canadian National of some $1,344 millions) supports the conclusion that an undue proportion of the capital invested in the CN System is represented by interest-bearing securities.

Reorganization Proposal

It is submitted that by ordinary commercial standards, the entire interest-bearing capital should be converted to equity capital.

However, in view of the practical difficulty in the way of converting interest-bearing capital in hands of the public into equity capital at this time; and having regard to the potential earnings of the CN System, which are considerable and may in some degree offset the adverse factors here considered; and on the assumption that the present imbalance which exists between railway rates and railway costs will be removed by adequate rate increases, I submit the following as an appropriate adjustment:

(1) —The $760 millions of interest-bearing obligations held by the Government should be exchanged for equity capital and reflected in the balance sheet as such.

(2)—The Government should acknowledge an indebtedness to CN in the amount of $300 millions to bear interest at 3% until discharged. This would be set up in the CN accounts as a capital fund to be drawn on from time to time to retire interest-bearing obligations in the hands of the public or for capital additions to the property. As consideration for the acknowledgment of this indebtedness, CN would issue a commensurate amount of equity stock to the Government.

(3)—Future development lines should be financed to the extent of not more than 60% by interest-bearing securities, the balance to be supplied by the Government against the issue by CN of a commensurate amount of equity stock.

It is my considered opinion, concurred in by the Board of Directors, that nothing short of these measures can be deemed adequate treatment of the CN capital structure. These measures, if put into effect, should enable Canadian National, on the average, to meet its fixed charges, including interest on funded debt.

On the assumption that our proposals are implemented, it is not unreasonable, as I have indicated, to anticipate that CN will in some years have surplus earnings. The task of management would be greatly eased if there were a recommendation from your commission that the Board of Canadian National use such surplus earnings

(a) to provide sufficient funds to cover expenditures for non-revenue producing improvements and betterments; and

(b) to establish a rate stabilization fund which could be built up in good years and drawn upon in poor years, with the view of affording stability to the rate structure and tending, to the extent of the fund from time to time existing, to postpone the necessity of applications for general freight rate increases.

WE REGRET TO ANNOUNCE
the resignation of Mr. Douglas K. Porteous as President and Managing-Director
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Montreal, March 23rd, 1950.

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ANNOUNCE APPOINTMENT

DOUGLAS A. JONES
Announcement is made that Douglas A. Jones has been appointed General Manager of Central Metals Limited, Hamilton, effective April first, 1950. This Company is engaged in the warehousing of steel and non-ferrous metals and is an affiliate of Robertson-Irwin Limited. Prior to his association with the Dominion Government as Federal Steel Controller, Mr. Jones had considerable experience in the basic steel industry in Canada.

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MONTREAL

What's Best For Engineering Graduates?

The Question: What chief piece of advice on career-building would you give the current crops of engineering graduates?

Too many young engineers are impatient to reach the top and big money jobs, but are unwilling to properly prepare themselves for senior responsibilities.

That's one of the criticisms offered, together with constructive advice, for engineering graduates by respondents to The Financial Post's question this week. Among those answering were graduate leaders in the engineering field and employers of labor.

Most replies follow a general theme — that a student must realize he is not an engineer on graduation, he is only commencing to be one. That the proper course, therefore, is to dig in and gain practical experience in the various aspects of the profession. A student must school himself in technical efficiency, gain a first-hand knowledge of management and labor and many other fundamental problems. When he has accomplished this he will find himself on the way to the top with the big money jobs following as a matter of course.

E. V. BUCHANAN, President, Association of Professional Engineers of Ontario, general manager, Public Utilities Commission, London, Ont.

The engineer graduate of today when thinking of his career should strive for what Robert Burns called "The glorious privilege of being independent." Too many people today are seeking security only. Real progress can be realized only through independent thinking and acting. This is especially true in engineering. The Canadian engineer has an enviable tradition and there are still vast opportunities for pioneering in the engineering field.

The professional engineer's education and training is such that it makes him most adaptable. This background should fit him ably to take care of himself, whether in his special technical field or in almost any other vocation he may choose.

My advice to the young professional engineer is to take a chance and at all costs to try to own himself.

* * *

F. W. CHAMBERS, President, F. W. Chambers & Co. Ltd., Toronto.

The youth of today doesn't like the thought of climbing the ladder to success. He wants to ride a fast express elevator to the top so he can start his career from there.

There appears to be something fundamentally wrong with the thinking and the mental attitude of too many of the current crop of postwar engineering graduates. They seem to think primarily in terms of getting the highest pay for the fewest hours of the least effort. Pride of achievement, pride in their profession, pride in development, pride in their associations, all seem to be lacking.

What we need and want from our young engineers is honest justifiable PRIDE. Pride in their work, pride in a job well done, pride in their profession and pride in their business and professional associations.

* * *

R. E. CHADWICK, President, Foundation Co. of Canada, Montreal.

The engineering student upon graduation should waive any thought that he is an engineer. He is only commencing to be one. His university course will have taught him basic mathematics and theory but little in the way of practical application of what he has learned. He would be well advised to realize that given intelligence and courage success depends upon hard work, not luck or influence. Other than that which he attains through his own conduct and personality his objective upon graduation and for five years thereafter should be practical experience rather than money; latter will then follow automatically.

* * *

W. H. CLARK, Industrial Relations Director, Ford Motor Co. of Canada, Windsor.

I am a great believer in three old-fashioned virtues. The first is hard work. The second is a willingness to learn. The third is to get the facts before you act. The young engineer fresh from university usually has a pretty sound basic education. If he will really take these three old-fashioned virtues to heart and if he will recognize that every man is dependent upon the assistance and good will of his associates, it is pretty hard to see how he can fail.

* * *

W. N. DEISHER, Vice-President and General Manager, A. V. Roe Canada Limited, Toronto.

Graduates should realize that when they have taken the course and passed exams they are still not engineers and have still to learn the job by going into industry. They should be prepared to learn the job by taking a position without too much consideration of salary and obtaining as broad experience as possible before they consider they are fit for a better position.

They should not be too proud to go into the drawing office and work as draftsman or to go into the workshops. Technicians or engineers without this experience will never be anything more than glorified calculators.

D. S. ELLIS, Professor of Civil Engineering, Queen's University, Kingston.

Get a job with reasonably good prospects and put your back into it.

* * *

A. H. FRAMPTON, Vice-President, English Electric Co., St. Catharines, Ont.

You graduate a bachelor of science not an engineer. That standing you will acquire only after further practical training and experience. Later you will become qualified to accept your full standing in your profession. Study that profession—all professions, their obligations and responsibilities. Train yourself to accept those obligations. Train yourself to assume relations of confidence and to accept responsibility. They are the hall marks of your profession. Plan your future objectives to be attained in progressive stages not in one day but throughout a career devoted to service to yourself, your colleagues and the public.

* * *

P. D. P. HAMILTON, Vice-President, General Engineering Co., (Canada) Ltd., Toronto.

The successful executive in modern business has two fundamental problems which must be understood in their broader aspects. Firstly, modern methods, both technically and administratively must be incorporated and constantly maintained in any successful enterprise and secondly personnel and human relations within the organization must be practised to the highest degree. The recent engineering graduate can best absorb these fundamentals by constant reading of current technical publications and by continuous personal contacts and associations with the workers in the plant.

* * *

E. L. LYONS, Director Technical Education, Canadian Westinghouse Co., Hamilton.

I would advise graduating classes to work hard and keep learning always. Never get the habit of working forty hours a week and stopping there. Your engineering degree is a key that will unlock many doors. All worthwhile doors have spring closes. You must exert yourself to open them. Don't lose the studying habit. Take postgraduate classes or an industrial training course if possible. Take an active part in professional organizations. You haven't got the world by the tail yet, but the sheepskin will make a fine pair of gloves to hang on with if you grab hold.

J. A. McCRORY, President, The Shawinigan Engineering Co., Montreal.

Successful engineers of my acquaintance, in addition to being keenly interested in their profession, have three characteristics in common. In the first place they have continued to be students after graduation. It is important for the recent graduate to realize that his engineering education has just begun and to seize every opportunity to broaden his knowledge and experience. In the second place, they have shown themselves willing to accept and capable of discharging responsibility. In the third place, they have taken an active interest in their professional societies and in community activities outside of their professional work.

* * *

DR. L. M. PIDGEON, Department Metallurgy, University of Toronto.

Surely the philosophy of the good life cannot be expressed in a few catch phrases or headlines. The attempt to do so often results in the extremes of this age and is part of the technique of fascism and communism. They shout their magic phrases, believe or die. If I must deliver a chief piece of advise to my graduates, it will be to apply to all things, technical or otherwise, the reasoned approach which we have tried to teach them.

* * *

HON. ISAIE MELANSON, Chairman, New Brunswick Electric Power Commission, Fredericton, N.B.

The young person standing on the threshold of a career in today's complex and changing world would do well to visualize opportunity and security in the proper balance. Opportunity is the light that should guide him. Never before in the world's history have so many opportunities been offered to the young person of talent and ambition. Technical and scientific advance has opened up whole new worlds to conquer. If the young man or woman starting out on a career today will devote the proper energy, intelligence and judgment to it then just rewards including security will follow as a matter of course. But the spirit of adventure and opportunity must always be the touchstone.

* * *

JOSEPH M. PIGOTT, President, Pigott Construction Co., Hamilton.

Speaking as a general contractor, changing conditions, methods and materials have created a demand for graduate engineers. Present product of Universities not of immediate value. Training seems too limited; too narrow.

It is, therefore, the case that to be valuable and to go up to important positions in this industry an engineer must gather experience in: first, accurate instrument work; next, experience in reading plans and checking working drawings and details against them. He must gather knowledge of quantity surveying and some estimating ability. He must also observe the relative importance and sequence of the various components in building construction so that he can develop the faculty of organizing and expediting.

Building projects are growing in size with the country, and the profession of Project Engineer, which is the sum total of the foregoing, is becoming increasingly important—with important possibilities.

I would, therefore, recommend varied experience in all of the above with good construction companies in early years after graduation, rather than special work at one thing at what might seem higher salary. In the long view, the experience will pay off well.

* * *

F. V. SEIBERT, President, Canadian Institute of Mining & Metallurgy, Montreal.

Go after the job which is in line with the position you wish to eventually attain and which you feel you will finally be able to satisfactorily fill. Having secured that job, even though it may be subordinate, recognize its importance and make the greatest possible success of it. A readiness and a determination to thoroughly prove your ability in any position which is in line with your chosen objective is most important.

* * *

J. B. STIRLING, Vice-President, E. G. M. Cape & Co., Montreal.

My observation of careers of engineering graduates over a forty-year period leads me to the conclusion that one of the greatest obstacles to successful career building is the young engineer's impatience to secure promotion and get to the top before he is properly prepared by experience to carry senior responsibilities. In this way he misses the opportunity to demonstrate his real value to those to whom he is responsible or he changes his job before he has acquired the know how and know why that will automatically advance him. While burning ambition to get ahead is a necessary and admirable characteristic in the young engineer, its value is overstressed and must be tempered by patience and hard work. Recognition follows as is amply demonstrated in the careers of our successful Canadian engineers.

* * *

W. H. THOMSON, Director, Alberta Industrial Development Board, Edmonton.

In this day of rapid technical development we must not lose sight of the practical importance of personal relations. A good engineer besides schooling himself in technical efficiency, should learn how to get along with both management and men. The engineer is often the sandwich filling between labor and management, and as such should try to train himself to fill this key position as efficiently as he handles his slide-rule.

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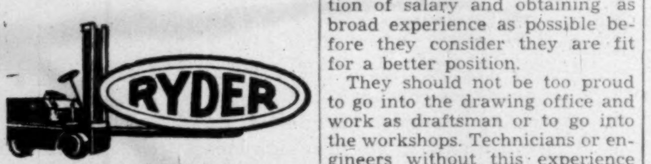

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NOTICE OF REDEMPTION
of
SERIES "A" DEBENTURES
SERIES "B" DEBENTURES
SERIES "C" DEBENTURES

To the Holders of the 3½% Twenty-Year Sinking Fund Debentures Series "A".

To the Holders of the 3½% Sinking Fund Debentures Series "B".

To the Holders of the 4% Sinking Fund Debentures Series "C".

NOTICE IS HEREBY GIVEN that pursuant to the terms of the Trust Indenture dated 1st October 1946 by Industrial Acceptance Corporation Limited in favour of Montreal Trust Company, as Trustee, in respect of the 3½% Twenty-year Sinking Fund Debentures Series "A"; and that pursuant to the terms of said Trust Indenture and of a First Supplemental Trust Indenture thereto dated 25th April 1947 by Industrial Acceptance Corporation Limited in favour of Montreal Trust Company, as Trustee, in respect of the 3½% Sinking Fund Debentures Series "B"; and that pursuant to the terms of said Trust Indenture and of a Second Supplemental Trust Indenture thereto dated 27th April 1948 by Industrial Acceptance Corporation Limited in favour of Montreal Trust Company, as Trustee, in respect of the 4% Sinking Fund Debentures Series "C"; and that pursuant to the terms of the said Debentures, Industrial Acceptance Corporation Limited intends to and will redeem all of its said 3½% Series "A" Debentures and all of its said 3½% Series "B" Debentures and all of its said 4% Series "C" Debentures (all of which Debentures of all said Series would, according to their terms, mature for payment on 1st November 1966) on the first day of April 1950 at 103% of the principal sum thereof and accrued interest on such Debentures to the said first day of April 1950 in lawful money of Canada, upon presentation and surrender of such Debentures accompanied by all interest coupons appertaining thereto which mature on and after 1st May 1950, at the Principal Office of The Royal Bank of Canada in the Cities of Montreal, Toronto, Halifax, Saint John, Quebec, Ottawa, Hamilton, London, Winnipeg or Vancouver, Canada.

AND NOTICE IS FURTHER HEREBY GIVEN that from and after the said first day of April 1950, interest upon said Debentures shall cease and coupons for interest to accrue after said date upon said Debentures shall become and be void.

DATED at Montreal this 24th day of February, 1950.

INDUSTRIAL ACCEPTANCE CORPORATION LIMITED
L. E. CUTHBERTSON,
Secretary-Treasurer.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERCOLONIAL COAL CO. LTD. shows a net loss of $49,691 for 1949, as against a loss of $73,052 in 1948. Output fell from 196,191 tons to 177,557 tons.

President W. J. Graham states that the mines are in satisfactory condition and reports that in 1950 No. 2 mine will be developed on the dip to a point that will give two additional landings all of which will be ready for production when required in the future.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Operating loss†	$46,671	*$112,502
Add: inc. tax res.	75	39,450
Bad debts res.	2,945	......
Net loss	49,691	*73,052
Add: Divds. pref.	15,784	15,784
Com. divd.	20,000	40,000
Deficit for year	85,475	*17,268

*Profit or surplus.

†After depr. of $105,367 in 1949, $17,517 in 1948.

Earnings per Share and Dividend Record:		
Pref.: Earned	d$25.19	$37.03
Paid	8.00	8.00
Com.: Earned	d6.55	5.73
Paid	2.00	4.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. bds.	$480,566	$539,473
Other bonds	143,745	94,050
Accts. rec.	131,845	108,364
Inventories	122,571	110,448
Total curr. assets	878,727	852,335
Prepaid charges	6,210	2,012
Fixed assets, less depr.	749,522	850,399
Total assets	1,634,459	1,704,746
Total curr. liab.	28,253	49,537
Reserves	292,743	274,549
Capital stock	1,197,300	1,197,300
Earned surplus	116,163	183,360
Working capital	850,474	802,798

Newsweek looks at Life Insurance

Newsweek

RECENTLY members of *Newsweek* magazine's editorial staff interviewed Mr. Leroy A. Lincoln, President of the Metropolitan Life Insurance Company, on the subject of Life insurance.

The tremendous role that Life insurance plays in the national economy, and the interesting institutional material developed during the discussion, are so important that a motion picture has been made of this interview. This film will be given wide distribution in line with Metropolitan's "Open Book" policy.

Naturally, in reply to questions from the editors, Mr. Lincoln made many references to Metropolitan's achievements in 1949. In fact, the interview developed the information that is customarily included in the Annual Report to Policyholders.

Accordingly, a complete transcript has been printed as the Company's Report for 1949. Here are some of the highlights of that report:

—"Metropolitan . . . paid about $769,000,000 (to beneficiaries and policyholders last year) . . . and I might add further that . . . (this includes) $502,000,000 to living policyholders."

—"For our 33,000,000 policyholders in the United States and Canada, the total Life insurance in force in the Metropolitan at the end of last year was almost $42,000,000,000 — an increase of 4 percent over the preceding year."

—"Metropolitan's assets totaled $9,700,000,000, an increase of about 6 percent over the figure for 1948."

—"Through the combined efforts of the many health organizations, the average expectation of life at birth has improved 18 years since 1900. At that time it was about 49 years — while right now it is about 67."

—"Expenses for the Life insurance companies have gone up the same as for everybody else. For example, in the Metropolitan last year they increased about 4 percent . . . insurance in force in Metropolitan has increased about 80 percent since 1939, whereas operating expenses have increased only 71 percent."

—"In 1949, Metropolitan . . . paid $164,000,000 in dividends to policyholders — the largest such amount in the Company's history. Dividends payable to policyholders in 1950 will be somewhat larger in the aggregate than 1949."

—"Dividends would be substantially higher were it not for the low interest returns which have prevailed throughout the United States and Canada. For example, last year the net interest earned on Metropolitan assets was 3.07 percent, compared with 3.03 in 1948, and with 5.18 in 1929."

Metropolitan's Annual Report to Policyholders for 1949 will be sent to anyone on request. In addition, copies of the film may be borrowed for showing by local business, civic, or other groups in which Metropolitan policyholders are interested.

METROPOLITAN STATEMENT OF OBLIGATIONS AND ASSETS . . . DECEMBER 31, 1949

OBLIGATIONS TO POLICYHOLDERS, BENEFICIARIES, AND OTHERS

Statutory Policy Reserves This amount, which is determined in accordance with legal requirements, together with future premiums and reserve interest, is necessary to assure payment of all future policy benefits.		$8,252,239,531.00
Policy Proceeds and Dividends Left with Company Policy proceeds from death claims, matured endowments, and other payments, and dividends — left with the Company by beneficiaries and policyholders to be returned in future years.		531,949,902.00
Reserved for Dividends to Policyholders Set aside for payment in 1950 to those policyholders eligible to receive them.		164,260,999.00
Policy Claims Currently Outstanding Claims in process of settlement, and estimated claims that have occurred but have not yet been reported.		35,804,438.43
Other Policy Obligations Premiums received in advance, reserves for mortality and morbidity fluctuations, reserve for continuing the program of equalization dividends on weekly premium policies, etc.		64,879,400.04
Taxes Accrued Including estimated amount of taxes payable in 1950 on the business of 1949 and $10,000,000.00 for United States Federal Taxes on 1947 and 1948 income under pending bill.		36,825,574.00
Contingency Reserve for Mortgage Loans		21,000,000.00
All Other Obligations		42,355,959.00
TOTAL OBLIGATIONS		$9,149,315,803.47
SURPLUS FUNDS		
Special Surplus Funds	$ 84,252,000.00	
Unassigned Funds (Surplus)	474,379,879.03	
TOTAL SURPLUS FUNDS		558,631,879.03
TOTAL OBLIGATIONS AND SURPLUS FUNDS		$9,707,947,682.50

ASSETS WHICH ASSURE FULFILMENT OF OBLIGATIONS

Bonds		$7,298,735,485.05
U.S. Government	$2,884,039,974.00	
Canadian Government	242,548,827.19	
Provincial and Municipal	69,029,148.93	
Railroad	492,569,747.96	
Public Utility	1,322,222,366.98	
Industrial and Miscellaneous	2,167,230,348.06	
Bonds of the Company's housing development corporations	121,095,071.93	
Stocks All but $4,534,643.85 are Preferred or Guaranteed.		136,059,753.85
Mortgage Loans on Real Estate		1,271,067,551.97
Mortgage Loans on City Properties	$1,164,238,419.48	
Mortgage Loans on Farms	106,829,132.49	
Loans on Policies Made to policyholders on the security of their policies.		393,258,765.52
Real Estate (after decrease by adjustment of $25,000,000.00 in the aggregate)		247,728,331.90
Housing projects and other real estate acquired for investment	$ 198,151,779.86	
Properties for Company use	38,588,738.97	
Acquired in satisfaction of mortgage indebtedness (of which $7,166,352.46 is under contract of sale)	35,987,813.07	
Cash and Bank Deposits		150,379,081.15
Premiums, Deferred and in Course of Collection		137,886,883.07
Accrued Interest, Rents, etc.		72,831,829.99
TOTAL ASSETS TO MEET OBLIGATIONS		$9,707,947,682.50

NOTE — Assets amounting to $456,197,535.92 are deposited with various public officials under the requirements of law or regulatory authority.

SOME FACTS ABOUT METROPOLITAN'S OPERATIONS IN CANADA

These highlights of the Company's business in Canada during 1949, our 77th year in this country, will be of particular interest to Metropolitan's Canadian policyholders and their beneficiaries.

Payments to Policyholders and Beneficiaries

Metropolitan paid in 1949 to its Canadian policyholders and their beneficiaries $41,286,966 in death claims, matured endowments, dividends and other payments. Of this, 69% was paid to living policyholders.

The total amount the Metropolitan has paid to Canadians since it entered Canada in 1872, plus the amount now invested in Canada, exceeds the total premiums received from Canadians by more than $364,000,000.

Life Insurance in Force

In 1949, Canadians bought $208,278,971 of new Life insurance protection in the Metropolitan, bringing the total of the Company's Life insurance in force in Canada to $2,356,103,078 at the year-end. This amount is made up of 57% Ordinary, 29% Industrial and 14% Group.

Total Investments in Canada

Metropolitan's total investments in Canada amounted to $557,336,716 at the end of 1949. The Company's dollars are at work throughout the country . . . in practically every phase of production and distribution . . . helping to produce more goods and create more jobs for more people.

Health and Welfare Work

During 1949, a total of 212,458 nursing visits was made to those insured under Metropolitan Industrial, Intermediate, and Group policies in Canada; over 2 million pamphlets on health and safety were distributed, and the Company took part in 154 Canadian health campaigns.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
HOME OFFICE: NEW YORK
CANADIAN HEAD OFFICE: OTTAWA

METROPOLITAN LIFE INSURANCE CO.
Canadian Head Office, Ottawa.

Gentlemen:
Please send me a copy of your Annual Report to Policyholders for 1949.

NAME ____________________
STREET ____________________
CITY ____________ PROV. ____________

LABOR ROUNDUP

By RONALD WILLIAMS

Are Employers Helping Finance Socialism By Giving Checkoff to Some CCL Unions?

An employer representative on an Ontario Conciliation Board last week said publicly what a lot had only been saying privately about the checkoff:

Unions which have a political tie-up with the CCF should not be given the checkoff privilege as the money collected could be used to destroy the firms doing the collecting.

Board member Alexander Harris put it this way in his minority report on a dispute between a CCL union and McIntyre-Porcupine Mines:

"Let us have no illusions on this matter of the checkoff. The guaranteed funds, in addition to their use for the ordinary functions of a union, are, in this case, to be used for political purposes also. The latter may be the main purpose.

"Enforced payment of dues by payroll deduction would assure funds for continuance of a policy which envisages complete destruction of this and other companies and organizations or shareholders under our free system; the company should not have to entertain any plan of active assistance financially for a union which has these political aspirations. . . The type of socialism endorsed by the CCF, which is the announced political party of the union, would immediately dry up all sources of risk capital. . ."

The majority report recommended the checkoff, which is the nub of the dispute.

In making their recommendation Chairman Judge Fuller of Welland, Ont. and employee nominee John Mitchell, a CIO Steelworkers' office-holder, had some equally blunt things to say, attributing the deadlock to the "uncompromising attitude of the officers of the company on every major item in dispute. . . Had there been any evidence at all of desire to compromise and settle the major items . . . a complete settlement could have been arrived at without difficulty."

In its drive to organize the Timmins-Porcupine goldfields since taking over jurisdiction from the Communist Mine, Mill and Smelter union, the CCL has to win against McIntyre. It is the first brush for the new union and it could easily set the pattern. By the same token, McIntyre is in effect carrying the ball for the other mines on the CCL's organizing list. If McIntyre has to yield on the checkoff, other mines will too.

This week, McIntyre-Porcupine officially rejected the Conciliation Board's findings: the stage was set for possible strike action.

* * *

Victoria TLC 60 Years Old

Victoria Trades and Labor Council (AFL-TLC) is this year celebrating its 60th anniversary. It was in 1890 that the Typographical union, Ships Carpenters, Bricklayers Carpenters and Molders formed a central council and got a TLC charter. But the initial union step was taken 30 years before when, 34 ship wrights formed Victoria's first union.

Today the Victoria council represents 67 separate unions. At last month's 60th annual election of officers, the following were voted in: Charles Peck re-elected president for a second term; J. V. Baines, Typos, vice-president; A. P. Rayment, Carpenters, secretary-treasurer and William Gennoe, Molders, sergeant-at-arms.

* * *

Minister To Arbitrate

For the first time on record, in Canada, a clergyman has been appointed chairman of an arbitration board. In Calgary, Rev. J. L. Potruff, pastor of North Hill United Church, accepted nomination as chairman of the board to hear a dispute between the Chemical Workers' union and Dominion Tar and Chemical Co.

The dispute is a sequel to a month-long strike last fall. The settlement, which was made retroactive to April 1, among other things, reduced hours from 48-40. Now the union is claiming overtime pay for all time worked over 44 hours between April 1-Aug. 18 on the grounds that the retroactive provision covered hours too.

* * *

Labor Briefs

Four members of the Communist-run Electrical Union have been charged with creating a disturbance last week in Toronto during a brief but sharp clash with the rival CIO Electrical Union outside the big Canadian General Electric plant. One of four was a well-known Communist, Joe Levitt who works in the plant and is also one of the top cogs in the LPP youth movement, the National Federation of Labor Youth. Meanwhile Ontario Conciliator Louis Fine continued efforts to reach a settlement between CGE and the Communist-line union.

* * *

Strikers at Toronto's Corrugated Paper Box Co. are blamed for damage to three trucks which ran the picket line with company products. A board full of nails was thrown under the tires of one; tarpaulin ropes cut on the other two. The strike, which began March 2, involves 225 employees, is over higher wages. The union rejected a Conciliation Board recommendation.

* * *

Communist Steve Anco who lost the presidency of the big Auto Workers' local in Toronto Massey-Harris plant, and thus became technically unemployed is now being touted as leader of Toronto's Communist-inspired and run Unemployed organization.

* * *

The Federal Labor Relations Board this week ordered a secret vote of editorial employees of the Canadian Press to determine whether they want to be represented by the CIO American Newspaper Guild.

* * *

The CIO Auto Workers' strike against Chrysler Corp. in the United States had cost a whopping $372,000 up to March 7. Biggest single item in the interim financial report submitted by Treasurer Emil Mazey was $150,000 Blue Cross and Blue Shield insurance coverage.

Other major expenses: $150,000 for help to local unions for relief; $19,000 for newspaper advertising; $2,000 for radio and another $50,000 which has been set aside to cover hospital insurance in unions outside Michigan.

* * *

At one time during a recent Ontario Conciliation Board hearing, the government-owned Polymer Corp., Sarnia, Ont., and the CIO Chemical Workers were but half of 1% apart on wages. Last week a strike of 700 seemed inevitable. The union had rejected a unanimous Conciliation finding and called a walkout for Wednesday. This week, the union did a quick about-face and soft-pedalled the strike talk; they agreed to arbitration.

The union's original request was for an increase of 10c an hour and 5c and 10c shift differentials. During Board hearings, these were revised downward. This left a gap of only 0.56% but all attempts to close it failed. Faced with this deadlock, the Conciliation Board recommended a complete schedule of wages, with the backing of the union's representative. It ranges from 98c hourly for regular labor to $1.53 for group leaders. Present rates: 92c-$1.46.

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Here's What Labor Leaders Study in Refresher Course

The cream of CIO-CCL organizers in Canada were all in Toronto this week for a special refresher course. It was the CCL's second annual staff seminar. The aim of this four-day postgraduate union session is to give key union leaders a fast brush-up on everything from organizing techniques and political action to preparing mimeographed leaflets.

Special speakers included Victor Reuther, educational director of the Auto Workers and King Gordon, formerly CBC correspondent at Lake Success and now on the United Nations staff.

The curriculum and instructors.

Pensions and social security—Joe Daoust, UAW accountancy expert; Harry Becker, UAW director health and social security; and Ken Kramer, director Textile Workers Union social security department (all from the U. S.).

Time study and job evaluation—Bob Kanter, director engineering department, UAW (Detroit).

Economic trends in Canada and the World—Eugene Forsey, CCL research director.

A report on the International Confederation of Free Trade Unions—Pat Conroy, CCL secretary-treasurer, assisted by other members of the Canadian delegation, Sam Baron, Textile Workers' Union; J. E. McGuire, Canadian Brotherhood of Railway Employees, and Fred Dowling, United Packinghouse Workers.

Labor Legislation trends — David Lewis, Ottawa, until recently national secretary of the CCF.

Collective bargaining trends in Canada—panel discussion under the chairmanship of Pat Conroy with Sam Baron; C. H. Millard, Canadian Director Steelworkers; George Burt, Canadian director, UAW; Fred Dowling; and J. E. McGuire.

Congress education—panel discussion by members of the CCL education committee.

In addition there will be the following topical sessions:

Political Action — Pat Conroy and Murray Cotterill, CCL-PAC director.

Unemployment insurance and work of the unemployed local—George Burt and Sam Baron.

Workmen's Compensation — Cleve Kidd, research director, UAW.

Preparing and presenting a case before a labor relations board—Dave Archer, executive secretary Ontario Federation of Labor and member Ontario Labor Relations Board.

Interpreting and analyzing company financial statements—Lou Isaacs, C.P.A.

Preparing mimeographed leaflets—Eamon Park, publicity director, Steelworkers.

Union public relations — Jack Williams, CCL public relations director.

Organizing techniques—George Burt and Luis F. Krainock, educational director United Packinghouse Workers.

Techniques in leading an educational course—Howard Conquergood, Steelworkers' educational and welfare director.

Manitoba Ord. Spending Estimate Up $2.7 Millions

From Our Own Correspondent

WINNIPEG — Record government expenditures of $39,153,946 for the fiscal year April 1, 1950, to March 31, 1951, are forecast by Premier D. L. Campbell in estimates tabled in the Manitoba Legislature.

The estimated costs of government for the coming year are $2,690,673 higher than the record total of a year ago.

The amount to be voted for operating the different government departments and chargeable to revenues is $29,975,065, an increase of $900,214 over last year. Except for the treasury and provincial secretary, all departments of government require more money than was voted a year ago.

The balance of the near $40 million expenditure budget is made up of public debt charges of $9,178,881.

Of the $2,690,673 increase in expenditure, $1,790,460 is to pay additional costs of carrying the public debt which the past year has been substantially increased because of two debenture issues totalling $22,000,000.

Interest charges on the debt for next year will be $4,080,251 as compared with $3,662,516 last year. Provision is made to allocate $1,103,326 for sinking funds on special issues, $1,778,078 for general sinking fund, and $2,217,126 for debt redemption.

Another $750,000 is to be voted to the reserve fund for war and postwar emergencies set up in 1940 and to which $750,000 has been voted each year since.

The estimates tabled by Premier Campbell do not take into account monies to be voted for capital expenditures. This amount will probably be at least $20,000,000.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CASSIDY'S LTD. reports net profit of $338,711 for 1949, slightly higher than the 1948 figure of $333,887. President N. A. Prentice stated that this is the second successive year in which operations have resulted in a new high record.

Annual meeting is March 29.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$569,127	$535,537
Less: Deprec.	27,416	26,350
Inc. tax res.	203,000	175,000
Net profit	338,711	333,887
Less: Pref. divds.	95,340	102,585
Com. divds.	74,165	....
Surplus for year	169,206	231,302
Earnings per Share and Dividend Record:		
Preferred	$24.87	$24.51
Paid	7.00	7.00
Common	3.28	3.12
Paid	0.60+0.40	....

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$570,136	$444,535
Accts. rec.	1,236,510	1,158,233
Inventories	1,465,923	1,553,631
Total curr. assets	3,272,569	3,156,399
Invest. Elkington & Co.	61,450	80,400
Misc. assets▲	38,078	64,367
Fixed assets	930,645	923,695
Total assets	4,302,742	4,224,861
Total curr. liab.	651,945	636,866
Reserves:		
Bldg., conting., etc.	770,104	764,349
Capital stock	1,436,165	1,426,165
Earned surplus	1,444,528	1,387,461
▲Incl. ref. EPT	29,430	48,937
Working capital	2,620,624	2,519,533

FIDELITY TRUST CO. shows net profit of $14,146 for 1949, as against $6,022 in 1948.

The auditors' report states that, apart from the investment reserve for $672, no further provision has been made for any losses which the company may sustain in the realization of loans and advances or for losses, which, in their opinion, the company may sustain in the realization of mortgages and agreements for sale.

	1949	1948
Liabs. to pub., etc.*	$2,982	$33,869
Shareholders' equity	353,490	336,044
*Secured by:		
Mtge. & sls. agree.	106,339	131,452
Realty for sale	2,380	2,380
Office premises	186	25
Liquid assets†	247,567	236,056
Total	356,472	369,913
†Includes bonds and stocks.		
Net Profit	14,146	6,022
Earned per share	$0.91	$0.39
No dividend payments.		

CANADIAN LOCOMOTIVE CO. reports 1949 net profit of $862,944, off 15.2% from 1948's $1,017,315. Smaller margin of profit, labor rate adjustments and shorter working hours contributed to the fall.

During the year, 89 steam locomotives, 14 spare boilers and a substantial volume of miscellaneous equipment were delivered. President W. J. Langston reported that unfilled orders carried into 1950 were for 20 steam locomotives, one diesel electric locomotive, five spare boilers and a considerable amount of equipment for industry. Agreements are pending for manufacture of additional lines of industrial equipment in steady demand.

The 18 diesel electric licomotives built for the C.N.R. in 1948, which did not meet test requirements, have not yet been disposed of because of the time needed to obtain results under actual operating conditions. One unit has been operating in the U. S. for nine months and reports have not been entirely satisfactory. The reserve was therefore increased by $538,000 to provide for possible eventual loss.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net oper. profit	$1,612,484	$1,716,748
Less: Deprec.	150,540	141,433
Dom. & prov. tax	599,000	558,000
Net profit	862,944	1,017,315
Less: Divd	438,804	398,910
Surplus for year	424,140	618,405
Earnings per Share and Dividend Record:		
Common	$5.41	$6.37
Paid	1.00+1.75	1.00+1.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$3,442,677	$2,642,042
Accts. rec.	1,044,137	1,071,157
Inventories	2,123,300	2,669,517
Total curr. assets	6,610,114	6,382,716
Misc. assets▲	470,687	1,006,603
Fixed assets*	1,187,899	1,195,480
Total assets	8,268,700	8,584,799
Accts. pay.	662,856	513,609
Adv. re curr. orders	1,493,093	3,335,170
Taxes pay	285,725	286,368
Total curr. liab.	2,441,674	4,135,147
Reserves	500,000	500,000
Capital stock	977,141	977,141
Surplus	4,349,885	2,972,511
*After depr. of	1,594,086	1,458,187
▲Incl. ref. EPT	415,305	973,556
Working capital	4,168,440	2,247,569

RELIANCE GRAIN CO. shows a consolidated loss of $26,551 for 1949, against a net profit of $527,844 in 1948.

President J. D. Moran stated that, following disposal of the country elevator properties in 1948, intentions were to confine activities to shipping and exporting grain, in which it was hoped that reasonable profits could be earned. This has not been the case and it has been decided to withdraw, prior to the opening of navigation, from shipping and exporting grain. Arrangements to this effect have been made.

A dividend of $8.50 a share was declared, payable March 22. Intentions are to make further payments to shareholders by way of dividends as and when funds become available and in this connection it is expected that the company will dispose of its share of Smith-Murphy Co. shortly.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	*$57,551	$293,651
Add: Divd. from Smith-Murphy Co.	......	332,500
Less: Deprec.	......	50,969
Bond interest	......	5,338
Income tax res.	▲31,000	42,000
Net profit	*26,551	527,844
Less: Pref. divds.	......	60,000
Com. divds.	2,000,000	2,575,000
Deficit for year	2,026,551	2,107,156
▲Credit. *Loss.		
Earnings per Share and Dividend Record:		
Pref.:† Paid	......	$4.00
Common	d$0.27	‡4.68
Paid	20.00	0.75+25.00

†Redeemed Nov. 30, 1948.
‡Includes $3.33 per sh. divd. from Smith-Murphy Co. Inc.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Accts., etc., rec.	$94,900	$807,551
Grain, per invent.	7,848,821	9,301,416
Total curr. assets	7,943,721	10,108,967
Invest. in N. Y. sub.	425,220	442,953
Misc. assets▲	242,831	301,585
Fixed assets*	......	521,627
Total assets	8,611,772	11,375,132
Bank loans	6,826,552	7,249,939
Accts. & tax. pay.	310,074	446,077
Other curr. liab.	56,146	......
Total curr. liab.	7,192,772	7,696,016
Capital stock	100,000	100,000
Earned surplus	1,319,000	3,579,116
▲Incl. ref. EPT	77,269	110,000
*After depr. of	......	21,432
Working capital	750,949	2,412,951

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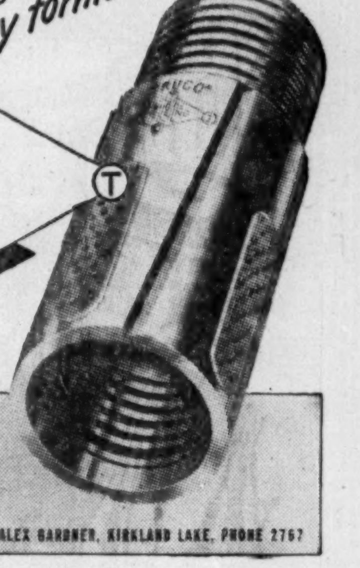

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Insurance Firms Pay Benefits Of Over $212 Millions in 1949

Policyholders and beneficiaries of life insurance companies operating in Canada in 1949 received policy benefits totaling $212.9 millions. This is more than 15 times the Canadian premium income of all companies doing business in Canada and nearly 30 times the amount they paid out in benefits 50 years ago, the Canadian Life Insurance Officers Association announces.

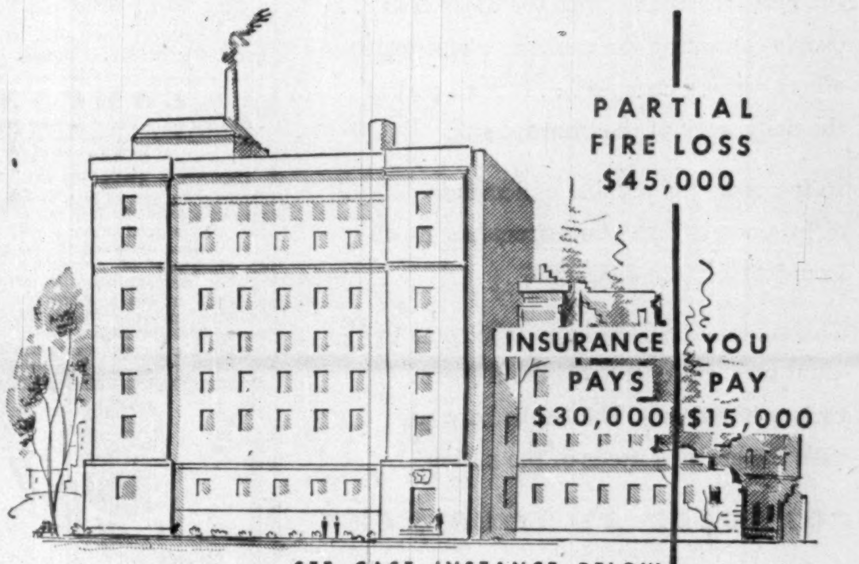
Of the total benefits, 38.6% or $82,310,000 represented death and accidental death claims. The remaining 61.4% or $130,671,000 comprised matured endowments $33,704,000, disability payments $3,785,000; annuities $6,796,000; surrender values $48,301,000; and policy dividends $38,035,000 paid to living policyholders. All types of payments increased over those of 1948 when $197,737,000 was distributed to living policyholders and to the beneficiaries of deceased policyholders.

Commenting on the report, H. L. Guy association president, said:

"The benefit payments made in the year 1949 reflect the remarkable growth in the service the life insurance companies in Canada have rendered the public during the first half of the twentieth century. In 1899, 50 years before, the total payments in Canada under all life insurance and annuity contracts were only $7,282,000.

"The experience of the companies in regard to surrender values is that in many cases policies are surrendered because the need for insurance has apparently ended. This is particularly true of older policyholders. Policies are also surrendered too frequently because they provide a source of ready money — particularly in financial emergencies; money which could be secured by exercising the policy loan privilege. Unfortunately, most policies are surrendered because human intentions are not stable and the desire for some current benefit on the part of the policyholder prevails over the apparent need for life insurance."

INSURANCE IS PAID ON TODAY'S VALUES



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"(It is part of the consideration of this policy, and the basis upon which the rate of premium is fixed, that the assured shall maintain insurance concurrent in form, range and wording with this policy, on each and every item of the property hereby insured to the extent of at least per cent., of the actual cash value thereof, and that, failing so to do, the insured shall be a co-insurer to the extent of an amount sufficient to make the aggregate insurance equal to per cent., of the actual cash value of each and every item of the property hereby insured, and, in that capacity shall bear his, her, or their proportion of any loss that may occur. Each division or sub-division (if any) of the sum insured shall be deemed to be an "item.")"

HERE'S WHAT IT MEANS TO YOU:

(Where the Policy is subject to 80% Co-insurance:)
Assume that the actual cash value of a property when insurance taken out was $100,000.00
The amount of insurance required by Co-insurance clause conditions would have been 80% of cash value, viz. 80,000.00
In the event of a total loss, the insured would collect the insured amount of 80,000.00

BUT

in the event of a partial loss, say $45,000.00, the insured may become a co-insurer as follows:
Assume the actual cash value of property when insurance taken out was (as above) $100,000.00
The then amount of insurance required by Co-insurance clause, 80% of cash value, viz. 80,000.00
If on day of fire the actual cash value of property is found to be, say, ... 150,000.00
(Adjustment is made on basis of Cash Value at time of loss and not on value at the time when insurance was taken out).
The amount of insurance required by Co-insurance clause (80% of cash value) would now be (by increased cash value) 120,000.00

Hence

A Deficiency of 1/3 or 33-1/3% in the insurance coverage agreed to by the insured, or 40,000.00
This is the amount for which the insured becomes a co-insurer.

Therefore

The insurance company contributes 80/120,000ths or 2/3 of loss of $45,000.00 = 30,000.00

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What Can Sweden's Forests Teach Us?

There, Every Farmer is a Timber Operator, Forest Conservator

Robson Black is president of the Canadian-Scandinavian Foundation and former president of the Canadian Forestry Association. Currently on one of his periodic visits to Scandinavia, he writes here a third article from Sweden, especially for The Financial Post.

By **ROBSON BLACK**

STOCKHOLM—If an Ontario county like Frontenac or Lanark, or Temiscouata in Quebec, ever showed a municipal cash balance of $3 millions "due to profits on our municipal woodlands," it would set tongues wagging from coast to coast.

And yet I have recently visited Swedish rural parishes that achieved exactly that result. One of them has a reserve of $3,500,000, another has just $1 million less, obtained entirely from the cautious marketing of their forests during the past 80 years.

From such central funds of "wooden money" is paid each year all public costs of road building, schools, parks, imported fertilizer and livestock, plus all property taxes. And these communities of Sweden have turned the trick by utilizing their nonarable lands—the same lands that Canadian municipalities carry on their books as liabilities.

As a business venture, the production of timber is a highly profitable enthusiasm of almost every Swedish, Norwegian, Danish or Finnish farmer and estate owner.

Canada, with its 400,000 or more small or medium units of forests, owned by individual farmers, has allowed the bulk of such "woodlots" steadily to degenerate. They have been hacked indiscriminately, seldom restocked, and are often sold en bloc for a final butchery.

What makes this situation persist in Canada when it has been almost completely reversed in Scandinavian countries?

A major explanation is that the Canadian farm-forest has always rated as "waste land" in the agricultural economy. It's the part of the farm you can't plow. A fuel supply, maybe, but that's about all.

The Ontario, Quebec, and Maritimes provincial governments have made a small beginning in helping their farmers with expert forestry advice, but on no scale remotely comparable with the Scandinavian.

Farmer Owns One Half

Let's take a look at what's happening in Sweden:

The farmers own one half of all forest lands. Remainder is almost equally held by the large industrial users and the state. Like a group of watchers on a lookout tower, a national forest conservation board sits in Stockholm to make certain that the country's stock of timber shall be treated as a capital account.

Twenty-five district boards act as their local agencies, and these are comprised of unpaid municipal leaders who know a lot about forestry.

As their executive officers and technical experts they employ graduate foresters; Sweden has 1,400 of them, almost twice as many as Canada. In addition, some 6,000 "wardens," or short-course forestry graduates are used.

How much compulsion is laid upon the farmer? Only as much, but not less, than applies to a pulp and paper company. As the owner of 30 or 100 acres of woods, he has no right to "skin it off," or exploit it for quick profit.

His woodlands may be held in fee simple, but no cutting and selling may be done that will conflict with the national over-all standards of sound forestry.

Offhand, it looks like interference with private property rights, but the Swedish farmer, the Norwegian and Finn also, has accepted it as not only just and patriotic, but decidedly remunerative.

Swedish farmers (almost always the owners of a forest) have banded together to the number of 300,000 to run their personal timberlands as "management enterprises," controlled by well-trained forest engineers.

The result is that as time goes on each acre devoted to timber production gives steady harvests of better qualities and greater quantities.

Since farm titles usually remain in the same families for many generations, the betterment of the farm woods creates a stable and ever-rising bank account.

Should a property of 100 acres of open fields and 200 acres of woods come on the market, most of the selling price will represent the forest values, not the fields. Rarely does a Canadian farm add anything to its sales value by virtue of the woods attached to it.

Foresters Select Cut

When a Swedish farmer wants to cut his piece of forest, he calls in the technical foresters of the local Conservation Board. They mark the trees to be cut. As a rule, the local co-operative arranges for marketing and at the highest prevailing price.

When the forester marks the trees—and woe betide an axeman if he cuts an unmarked trunk—his purpose is to take away from the woods only a minor part of its content.

Mature, or overripe trees serve no purpose in being left to rot. But the forester's real target is to make certain that every acre is kept in a state of continuous reproduction.

This is not done, except rarely, by planting little seedlings where big trees have been taken out by the axe. Nature is expected to do the replanting herself through the scattering of seed from mother-trees. And that's what happens providing that the cutting is done by expert supervision.

Every man who owns or operates timber lands in Sweden—the mammoth paper mill and the 30-acre farmer obey the same rule—must show a brand-new forest for every old forest he puts to commercial use.

The rigidly enforced national law says: "Felling of trees may not be carried out in such a way that forest reproduction obviously cannot take place."

In other words, you are allowed to make the fullest use and get the most money from any woodland you own, but you have to provide the nation with as good a woodland as the one you took away.

Had any such public requirement been applied to the Canadian woods, for even their past 50 years, the Dominion Forester at Ottawa would have no need to write such words as these: "Since the days of the early explorers, the forest has been reduced to less than half of its original greatness."

Grows More Than She Cuts

By way of contrast, Sweden grows more timber than she cuts (and the country is a ganglia of forest industry), while Finland has set herself to increase her forests to such a degree that her paper and lumber plants can be stepped up by 50%.

The firm grip that forest-growing has taken upon a great majority of Scandinavian farmers is a triumph of decentralization. It began with a positive patriotic ideal that the country's forest supply must never be diminished.

It proceeded to place authority and initiative in the hands of elective local associations. And then a flood of "know-how" was released through the training of skilled forest engineers who were given charge of the forests and have done a bang-up job.

"I'm just on my way to the bank"

He is just one of the hundreds who during the day will drop into the branch bank around the corner.

Savings depositors with their pay cheques . . . retail merchants with the day's cash . . . people consulting the manager about loans, others cashing cheques . . . it is all part of the daily work of the branch bank.

In ten years the number of accounts maintained by bank depositors has grown from 5,000,000 to 8,000,000.

This shows how Canadians have come to count on their local banks for a great variety of services. The banks keep pace with the growing needs of the nation.

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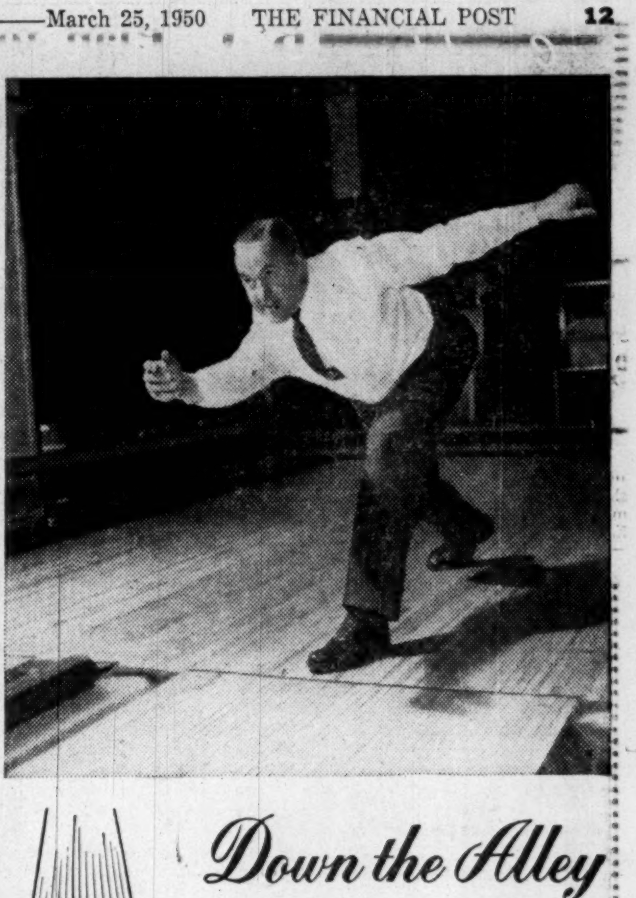
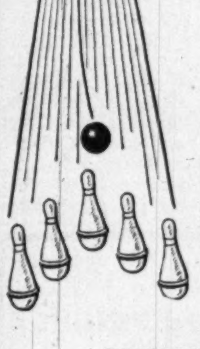




Down the Alley

Bowling is international. Many visitors from across the border join Canadians to bowl on thousands of alleys in Ontario. *Spare* the time to *strike* up friendships with these visitors from the U.S. Wherever you meet them, *score* a welcome that will bring them back. John Labatt Limited.

FOR BOWLERS Labatt's BREWERS SINCE 1832

UNION MADE

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA STARCH CO. LTD. shows net profit of $541,558 for 1949, up 93.4% from the 1948 net of $279,980. Heavy production, a very high return from by-products and greater efficiency of operations were chiefly responsible. A common dividend of 50c a share has been declared, payable March 31, 1950, out of 1949 earnings.

Capital expenditures amounted to $129,938, may be considerably higher in 1950.

President G. F. Benson stated that outlook for the first half of 1950 is satisfactory, but it is difficult to forecast for the second half. He pointed to increased danger of foreign competition due to the reduction in the duty on corn starch.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$1,519,307	$734,630
Less: Deprec.	245,738	264,970
Loss on f.a. sale	▲5,093	980
Invent. w/d	192,104	......
Inc. tax res.	545,000	188,700
Net profit	541,558	279,980
Less: Pref. divds.	322,255	107,418
Surplus for year	219,303	172,562

▲Profit.

Earnings per Share and Dividend Record:

Pref.: Earned	$17.65	$9.12
Paid	†10.50	3.50
Com.: Earned*	5.51	1.10
None paid.		

†One yearly and one half-yearly divd.
*After deducting $7 yearly pref. divd.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$525,143	$39,716
Accts., etc., rec.	801,524	899,270
Inventories	2,231,513	2,450,351
Total curr. assets	3,558,180	3,389,337
Prep. inr.§	29,447	26,160
Misc. assets	51,667	27,365
Fixed assets*	1,531,713	1,688,667
Total assets*	5,171,007	5,131,529
Bank loan, etc.	24,603	546,338
Accts. & tax. pay.	763,895	437,076
Total curr. liab.	788,498	983,414
Invent. res.	250,000	250,000
Sale f.a. to sub.	17,500	17,500
Capital stock	3,365,725	3,365,725
Earned surplus	749,284	514,890
*After depr. of	3,498,687	3,284,939
Working capital	2,769,682	2,405,923

§Incl. in curr. assets in co's report.

FANNY FARMER CANDY SHOPS INC. net profit for 1949 at $948,586 was down 13.5% from 1948's $1,096,399. Sales of $15,546,358 were down from 1948 due, to a great extent, says President J. D. Hayes, to the abnormally high temperatures prevailing from May to September. Coal and steel strikes and the transportation strike in Cleveland were also factors.

Annual meeting is April 12.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
	$	$
Sales	15,546,358	17,049,586
Net earnings	1,505,442	1,711,482
Less: Tax reserve	556,856	615,083
Net profit	948,586	1,096,399
Less: Com. divds.	684,026	684,026
Surplus for year	264,560	412,373

Earnings per Share and Dividend Record:

Com.: Earned	$2.77	$3.21
Paid	1.50+0.50	1.50+0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$918,195	$700,316
Govt. & mun. bds.	522,686	530,211
U. S. treas. certifs.	700,096	500,135
Securities, less res.	115,839	115,838
Inventories	977,508	1,485,192
Total curr. assets	3,234,324	3,331,692
Prepd. def. chgs.	72,334	23,439
Fixed assets*	3,576,110	3,359,882
Total assets	6,882,768	6,715,013
Accts. pay.	13,580	9,186
Taxes pay.	724,018	846,997
Misc. reserves	82,449	60,669
Total curr. liab.	820,047	916,852
Capital stock	763,821	763,821
Surplus	5,298,900	5,034,340
*After depr. of	2,946,435	2,757,711
Working capital	2,414,277	2,411,840

GYPSUM, LIME AND ALABASTINE, CANADA, LTD. record net profit of $1,390,038 for the year ended Nov. 30, 1949, was 20.3% higher than the previous year's $1,155,174. Record sales were established.

A common dividend of $1.40 a share for 1950 has been declared, payable quarterly. Net additions to fixed assets amounted to $1,429,004 and included a new rockwool manufacturing plant at Calgary, an extension to the wallboard plant at Winnipeg and an additional lime kiln and storage silos at Beachville, President G. A. Dobie stated. Serial bonds amounting to $100,000 were retired.

CONS. INCOME ACCOUNT

Years Ended Nov. 30:	1949	1948
Net earnings	$3,084,969	$2,788,317
Less: Depr. & depl.	710,156	644,322
Bond int.	56,775	59,521
Inventory res.	......	125,000
Inc. tax res.	928,000	804,300
Net profit	1,390,038	1,155,174
Less: Divds.	550,054	440,043
Surplus for year	839,984	715,131

Times All Bond Interest Earned:

Before depr. & depl.	54.34	46.85
After depr. & depl.	41.83	36.02

Earnings per Share and Dividend Record:

Common	$3.16	$2.63
Paid	1.00+0.25	1.00

CONDENSED CONS. BALANCE SHEET

As at Nov. 30:	1949	1948
Cash & Dom. bds.	$1,672,204	$1,736,334
Accts., etc., rec.	1,260,237	1,172,588
Life ins., c.s.v.	35,116	34,235
Inventories	1,440,959	1,434,282
Total curr. assets	4,408,516	4,377,439
Prep. exp.§	42,397	......
Misc. assets▲	537,721	562,412
Fixed assets*	4,921,947	4,133,618
Total assets	9,910,581	9,073,469
Accts., etc., pay.	841,431	822,753
Taxes pay.	579,790	537,238
Ser. bonds due	100,000	100,000
Total curr. liab.	1,521,221	1,459,991
Conting. res.	300,000	300,000
Funded debt	1,600,000	1,700,000
Capital stock	2,200,215	2,200,215
Surplus	4,289,145	3,413,263
*After depr. & depl.	4,840,477	4,199,802
▲Incl. ref. EPT	59,299	87,674
Working capital	2,887,295	2,917,448

CANADIAN CANNERS LTD.: During February 902 shares of first preferred stock and 5,916 shares of convertible preferred were exchanged for an equal number of common shares, reducing number of first preferred outstanding to 189,739, the convertible preferred to 232,696 and increasing number of common outstanding to 261,136 shares.

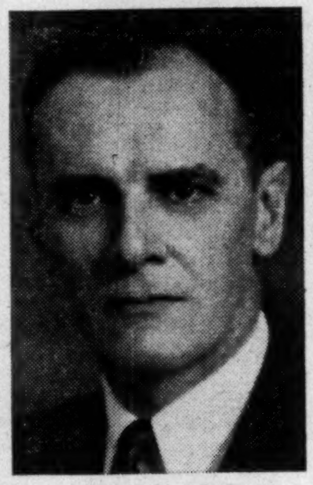
ANGLO-CANADIAN OIL CO. has advised the Montreal Curb Market that, on and after May 4, 1950, the Crown Trust Co. will act as a transfer agent for the company in Montreal.

GOLDFIELDS URANIUM MINES reports 37 important radio-active occurrences, of which 22 appear to have economic possibilities, were discovered on its property in 1949. Most important is the Nesbitt showing where eight radio-active lenses and zones, with a total length of 1,708 ft., were discovered within a strike length of 4,670 ft. Active operation is scheduled for early April. Further surface exploration will be undertaken prior to diamond drilling.

CROWSHORE PATRICIA GOLD MINES March 1 installment of 50,000 shares at 10c a share and each subsequent installment under agreement with Yam Securities, have been extended for three months.

BURROUGHS ADDING MACHINE CO. reports net profit from U. S. operations for 1949 of $7,479,698, down 40.6% from the 1948 figure of $12,582,134. Net profit of foreign subsidiaries, including Canadian, amounted to $2,029,393, off 16.2% from 1948's $2,420,668. During the year the company's plant at Windsor was modernized and the Acme Carbon & Ribbon Co. of Toronto was acquired.

PROMOTED



C. C. BOYLE, A.S.A.

Announcement has been made by The Canada Life Assurance Company of the appointment of C. C. Boyle as Chief Accountant. Mr. Boyle has been associated with Canada Life for the past 26 years and his responsibilities have included the management and supervision of several important administrative departments. ✻

Rodney Hull
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GENERAL REINSURANCE CORPORATION

Financial Statement, December 31, 1949

ASSETS

Cash in Banks and Office		$ 3,316,346.98
Investments:		
United States Government Bonds	$20,681,044.63	
Other Bonds	12,169,003.53	
North Star Reinsurance Corporation Stock	6,131,727.31	
Other Preferred Stocks	1,039,680.00	
Other Common Stocks	8,662,840.53	
Total		48,684,296.00
Premiums in course of collection (not over 90 days due)		1,357,076.64
Accrued Interest		175,972.19
Other Admitted Assets		23,401.74
Total Admitted Assets		$53,557,093.55

LIABILITIES

Reserve for Claims and Claim Expenses		$24,540,269.55
Reserve for Unearned Premiums		7,604,648.44
Reserve for Commissions, Taxes and Other Liabilities		3,188,036.36
Voluntary Reserve	$ 3,224,139.20	
Capital	5,000,000.00	
Surplus	10,000,000.00	
Surplus to Policyholders		18,224,139.20
Total		$53,557,093.55

Bonds and stocks owned are valued in accordance with the requirements of the New York State Insurance Department. On the basis of December 31, 1949 market quotations for bonds and stocks owned (other than stocks of affiliates), Total Admitted Assets would be increased to $54,116,615.37 and Voluntary Reserve to $3,783,661.02. Securities carried at $5,039,459.92 in the above statement are deposited as required by law.

NORTH STAR REINSURANCE CORPORATION

Financial Statement, December 31, 1949

ASSETS

Cash in Banks and Office		$ 2,014,738.99
Investments:		
United States Government Bonds	$10,360,289.60	
Other Bonds	6,297,329.71	
Preferred Stocks	560,600.00	
Common Stocks	1,038,243.36	
Mortgage Loan	17,010.00	
Total		18,273,472.67
Balances due from Ceding Companies (not over 90 days due)		1,157,632.35
Accrued Interest		74,651.77
Other Admitted Assets		46,398.38
Total Admitted Assets		$21,566,894.16

LIABILITIES

Reserve for Claims and Claim Expenses		$ 1,689,435.00
Reserve for Unearned Premiums		12,588,938.49
Reserve for Commissions, Taxes and Other Liabilities		1,130,121.37
Capital	$1,300,000.00	
Surplus	4,858,399.30	
Surplus to Policyholders		6,158,399.30
Total		$21,566,894.16

Bonds and stocks owned are valued in accordance with the requirements of the New York State Insurance Department. On the basis of December 31, 1949 market quotations for bonds and stocks owned, Total Admitted Assets would be increased to $21,735,159.93 and Surplus to $5,026,665.07. Securities carried at $523,847.62 in the above statement are deposited as required by law.

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Investors Syndicate of Canada Limited has a plan that will enable you to accomplish these objectives . . . a method that will build that necessary cash reserve. A representative of Investors Syndicate will gladly explain how small amounts of money, put aside regularly, can, through the power of time and compound interest, help assure your business success.

See a representative of Investors Syndicate of Canada Limited without delay, or write for full details.

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Representatives Coast to Coast

NORSEMAN MINES options on 100,000 shares at 10c and 100,000 shares at 12½c a share under agreement with Wedlake Interests Ltd., have been terminated.

B. C. Plan to Set Health Ins. Premiums By O-in-C Designated Virtual Taxation

From Our Own Correspondent

VICTORIA — Drastic changes in British Columbia's hospital insurance scheme have been made in a bill placed before the provincial Legislature by Premier Byron Johnson.

They give the government blanket power to set premiums by order-in-council and to make payment by payroll deductions compulsory.

The government may now, by regulation, limit the length of stay in hospital, restrict benefits, or order people to pay a portion of their hospital bill.

The government seeks these wide powers after the scheme incurred a deficit of $4.5 millions in the first 15 months of operation and in the face of an anticipated deficit of $2.5 millions in the current year despite a 32% increase in premiums.

The principle of co-insurance has been introduced to allow placing a curb on people who are staying too long in hospital. The public and doctors alike have been complaining that urgent cases have been kept waiting up to three months, partly because of the over-all shortage of beds and partly due to increased usage under the insurance plan.

First Time in B. C. History

Observers who say the so-called insurance premium is, in fact, a straight hospital tax, are pointing out that this is unusual—procedure in so far as the government has sought unlimited authority to set the amount of a tax by order-in-council.

Under the new law, the government may take action to recover premiums at any time within six years after they fall due, instead of six months as at present. Premiums may be recovered by garnisheeing wages and a penalty of 10% is provided for overdue premiums.

Procedure for taking court action to recover premiums has been strengthened.

Meanwhile, the Legislature's committee on public accounts has been investigating charges by Dr. J. M. Hershey that the hospital service's central administration was "inefficient, wasteful and downright stupid." Dr. Hershey resigned as commissioner in December after charging that the government had refused to follow his recommendations, including a request for dismissal of Andrew Pitkethley, chief executive officer, on the ground that he was not suitable for the job.

During the committee hearings, the government comptroller-general disclosed that hospital service accounts had not yet been audited although the scheme has been operating 15 months. He said the accounts had never been in satisfactory condition for an audit to be made.

Ridicules Government Claim

The government was having trouble with some of its own supporters in the Legislature too. Allan McDonell, industrialist, and Conservative-wing member of the Coalition termed "ridiculous" government claims that 90% of those required to register and pay premiums were doing so.

From the records of his own company, McDonell Metal Manufacturing Company, Vancouver, he cited facts to support his statement. Of 35 people hired in the last four months of 1949, only three had registered for payment of premiums. Since then another four had registered, but 28 were still not registered and were not paying premiums.

Addressing the Legislature before taking off for London to attend a meeting of the Timber Trade Federation, Premier Johnson defended the hospital scheme. Critics of the plan, he said, were laying too much stress on administrative difficulties encountered in the formative period. These difficulties, he went on, were not the cause of big deficits.

The answer lay in the soaring costs of hospital operation. Since 1946, he said, costs have risen 85%, and between 1948 and 1949 (when the scheme started) costs had jumped 44%.

The premier did not outline reasons for the increases. Nor did he indicate measures which the government plans for the direct supervision of hospital operations which now receive virtually all their revenue from the government.

Feature Solid Cedar House In West Coast's Home Show

Exploring home construction techniques to find new markets for worrisome lower grades and slower-moving wood species, B. C. lumbermen believe they have an answer in solid cedar construction.

To show why they like it and why they think the homebuilding public should, the year-old B. C. Coast Woods Trade Extension Bureau erected a model house of their thick cedar planking, one of three which featured last month's Better Homes Exposition in Vancouver.

Basementless, the Bureau's test bungalow is built on cedar posts, plus creosoted Douglas fir beams, plus 4-in. thick cedar plank subfloor, plus vertical-grain hemlock overfloor except in kitchen and bathroom. Sidewalls are of tongue-and-groove cedar planks two inches thick, with aluminum foil blanket insulation and plywood inside. Roof is of factory-stained, forest green cedar shingles. An estimated 80,000 saw the home show and the cedar house.

An experimental house of solid cedar was built in Vancouver two years ago. Costs ran a bit higher than conventional construction. That was because 2 x 2 inch "strapping" was nailed outside as well as inside on the basic plank wall, on which to secure an outside finish material as well as insulation and finish inside. Instead, the model house at the show dispensed with outside strapping and extra finish; had strapping and insulating air space only on one side of the main planking.

According to the Bureau — which is sponsored by B. C. Lumber Manufacturers' Association, Western Lumber Manufacturers' Association and Alaska Pine Sales Ltd. — solid cedar offers these advantages:

Durability — Cedar is resistant to most wood-destroying agencies such as weather extremes, fungus, insects, mold, mechanical impact.

Strength — Rigidity and strength because the wall is solid two-in. plank strapped inside.

Insulating qualities are claimed to equal nine inches of brick or 14 inches of concrete when solid-built.

Fire resistance enhanced by thickness of plank.

Some of the first cedar plank houses in Vancouver area have been built of three-inch plank instead of two-inch for greater rigidity and strength. Costs don't appear out of the way with that change. For example, four-room houses in a Central Mortgage & Housing Corp. low-rent project were put up by four to six men in 12 to 16 working days at costs of $4,500 and $4,800 plus land.

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PAGE-HERSEY TUBES, LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 1949

Profit from Operations	$4,128,076.53	
Income from Investments	71,134.81	
		$4,199,211.34
Depreciation of Plant		858,962.12
Net Profit for the Year		$3,340,249.22
Provision for Income Taxes		1,265,000.00
Balance Available for Dividends		$2,075,249.22
Dividends paid and declared		1,247,812.20
		$ 827,437.02
Balance forward from 1948		2,889,872.23
Balance as at December 31, 1949		$3,717,309.25

The following items have been deducted from Income in determining profits noted above:

Directors' Fees	$ 10,401.25
Executive Salaries and Solicitors' Fees	146,179.19

CERTIFIED as per Auditors' Report attached.

BALANCE SHEET AS AT DECEMBER 31, 1949

ASSETS

Fixed		
Real Estate, Buildings, Plant, Machinery and Equipment, at cost	$14,409,737.87	
Investment in Stock of Subsidiary Company	50,000.00	
		$14,459,737.87
Current		
Cash on hand and in Banks	$ 789,777.71	
Accounts and Bills Receivable—less reserves	2,302,276.83	
Due from Employees—fully secured by Canada Savings Bonds, Series No. 4	166,241.00	
Employees' Stock Purchase Fund	63,436.50	
Investment in Government Bonds and other Marketable Securities (Market Value $1,673,597.98)	988,183.21	
Merchandise Inventory — Valued at the lower of cost or market — less reserve	5,266,063.44	
		9,575,978.69
		$24,035,716.56

LIABILITIES

Capital Stock		
No Par Value—Authorized—1,000,000 shares—Issued and Outstanding — 697,104 shares	$6,249,670.68	
Earned Surplus	2,762,756.00	
Profit and Loss Account	3,717,309.25	
		$12,729,735.93
Reserves		
Depreciation of Buildings, Plant, Machinery and Equipment	$6,834,923.22	
Contingencies	450,000.00	
Furnace Reconstruction	150,000.00	
Plant Replacement	300,000.00	
		7,734,923.22
Current		
Accounts Payable	$2,253,766.88	
Wages and Miscellaneous Expenses Accrued	141,711.62	
Due to Subsidiary Company	88,003.86	
Dividend declared and payable January 3, 1950	311,953.05	
Provision for Income Taxes — less amounts paid	775,622.00	
		3,571,057.41
		$24,035,716.56

Signed on behalf of the Board:

A. W. HOLMESTED, Director.
A. MACFADYEN, Director.

CERTIFIED as per Auditors' Report attached.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PEMBROKE ELECTRIC LIGHT CO. net profit of $46,893 for 1949 is up slightly from the 1948 net of $43,119. Records were established in gross revenues at $307,245 and in power generated of 28,425,690 k.w.h. Operating costs were higher.

During the year, $218,687 was spent on new unit at Black River. Other capital expenditures totaled $115,370 and included new dams on the Black River watershed. President W. R. Beatty stated that a contract was signed with the Pontiac West Electricity Co-operative for supplying power to Fort-Coulonge and Davidson, Que., and rural distribution between Waltham and Fort Coulonge.

INCOME ACCOUNT

	Year ended Dec. 31 1949	11 months ended Dec. 31 1948
Net earnings	$148,415	$107,734
Less: Depr.	42,036	37,866
Debt interest	31,500	4,749
Income tax	27,986	22,000
Net profit	46,893	43,119
Less: Com. divds.	7,500	20,625
Surplus for year	39,393	22,494
Earnings per Share and Dividend Record:		
Common	$3.75	$3.45
Paid	0.60	1.65

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$2,076	$82,208
Investments	125,800	125,300
Accts. rec.	62,471	55,237
Inventories	20,569	24,206
Total curr. assets	210,916	286,951
Bds. with trustee	326,037	501,250
Misc. assets♦	51,998	29,711
Fixed assets	1,761,230	1,427,171
Total assets	2,350,181	2,245,083
Bank overdraft	7,802	......
Other curr. liabs.	54,279	35,956
Total curr. liabs.	62,081	35,956
Depr. res.	979,428	942,446
Other res.	2,212	2,290
Funded debt	800,000	800,000
Capital stock	30,000	30,000
Capital surplus	31,721	31,721
Earned surplus	444,739	402,670
♦Inc. ref. EPT	9,521	12,538
Working capital	148,835	250,995

CANADA MALTING CO. reports 1949 net profit of $966,335, up 31.9% from the 1948 net of $732,567. Although domestic shipments of malt were lower, total shipments were at a record high as a result of additional export business. Another factor in the higher profit was the exchange profits realized on contracts existing before devaluation of the Canadian dollar.

Bank advances rose due to larger inventories at higher cost. Inventory reserve increased by $200,000.

Export markets are now highly competitive and numerous sterling area markets are closed due to currency restrictions. President E. S. Clarke stated that, with higher barley prices in Canada, 1949 results must be regarded as exceptional.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,717,562	$1,992,474
Less: Deprec.	650,780	500,000
Debent. int.	35,000	45,000
Inc. tax res.	865,447	570,117
Invent. res. tax	....	44,790
Invent. res.	200,000	100,000
Net profit	966,335	732,567
Less: Dividends	497,430	497,430
Surplus for year	468,905	235,137
Earnings per Share and Dividend Record:		
Common	$4.86	$3.68
Paid	2.00+0.50	2.00+0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$2,300	$2,300
Investments†	301,433	303,082
Accts. rec.	1,393,383	1,216,024
Inventories	12,918,984	9,873,837
Total curr. assets	14,616,100	11,395,243
Misc. assets♦	173,933	304,357
Fixed assets*	4,747,645	5,251,811
Total assets	19,537,678	16,951,411
Bank adv.	7,668,355	5,269,711
Accts. & tax. pay.	1,255,216	1,420,071
Debent. due July 1	400,000	400,000
Total curr. liab.	9,323,571	7,089,782
Invent res.	500,000	300,000
2½% ser. debents.	800,000	1,200,000
Capital stock	4,441,960	4,441,960
Capital surplus	797,676	797,676
Earned surplus	3,674,471	3,121,993
*After deprec. of	5,329,576	4,706,166
†Market value	585,947	487,402
♦Inc. ref. EPT	113,316	228,261
Working capital	5,292,529	4,305,461

CANADA FOILS LTD. net profit of $201,420 for 1949 was down 19.9% from the 1948 net of $251,463. Domestic sales in 1949 increased by 6% and prospects are for further increases in 1950, even though the market is becoming more competitive, President F. W. Young states. Total sales declined 8% as compared with the preceeding year, as export sales were very minor due to the dollar shortage in export countries. In 1948 export sales were quite substantial and amounted to 13% of the total sales.

The company leased an adjoining building which increased manufacturing floor space by about 44%. During the past few months the company has almost completely rearranged the machinery to reduce costs by permitting more even flow of materials.

Company holds British Govt. Savings Bonds with a par value of £43,928.9.3 which are carried on the balance sheet at $178,674 (a conversion rate of $4.02 to the pound). It is the policy of the management to sell the British Government Bond and convert the funds to Canadian dollars as soon as the foreign exchange control regulations permit, Mr. Young states. Meanwhile, a reserve for investments of $30,000 has been established.

In May, 1949, the company purchased 20,000 common shares of Modern Containers Ltd.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$406,910	$461,115
Less: Deprec.	78,490	63,778
Inc. taxes	127,000	145,874
Net profit	201,420	251,463
Less: Cl. A divds.	30,000	......
Comon divds.	20,000	......
Surplus for year	151,420	......
Earnings per Share* and Dividend Record:		
Cl. A	$2.01	$2.52
Avail. for partic cl. div.	0.20	0.32
Paid & pay.	0.30+†0.20	....
Common	1.21	1.59
Paid	0.20	....

*Based on present o/s capitalization. Common earnings are calculated after taking into effect partic. feature on cl. A

†Participating divd. payable on cl. A on following May 15.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$188,536	$207,240
Mkt. securities†	456,717	341,094
Accts. rec., etc.	198,054	247,825
Life ins.	21,381	1
Inventories	297,490	240,418
Total curr. assets	1,162,178	1,036,578
Misc. assets	227,055	225,086
Fixed assets*	212,086	186,637
Total assets	1,601,319	1,448,301
Accts., tax., etc., pay.	281,667	261,033
Divds. pay.	20,000	50,000
Total curr. liabs.	301,667	311,033
Invest. res.	30,000	......
Capital stock	250,000	250,[illegible]00
Capital surplus	2,517	21,[illegible]16
Earned surplus	1,017,135	865,752
†Mkt. value	426,373	342,474
*After depr. of	786,841	717,037
Working capital	860,511	725,545

CONSULTANT & BUSINESS REPRESENTATIVE
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CANADA PERMANENT
Mortgage Corporation
Head Office:
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10-8

BANK OF CANADA

	Mar. 15 1950 $	Mar. 8 1950 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,257,856,782	1,257,540,351
Deposits:		
Govt. of Can.	55,680,025	57,627,566
Chart. banks	527,005,612	513,883,916
Other	181,480,095	183,592,247
Total deposits	764,165,732	755,103,729
Liabs payable in sterling, U.S.A. and foreign gold currencies:		
(a) to gov. of Can.	99,809,951	97,674,743
(b) to other	26,766	26,766
Total	99,836,717	97,701,509
All other liabs.	14,198,265	14,318,200
Total liabs.	2,151,107,803	2,139,714,156
Assets		
Foreign Exchange:		
Sterling & for'n	94,336,717	92,201,509
Other curr.	72,217	56,308
Total	94,408,934	92,257,817
Subsid. coin	395,838	389,544
Investments:		
Gov. sh. term.	1,640,915,842	1,623,657,958
Oth. gov. sec.	364,139,101	367,788,449
Other secs.	5,500,000	5,500,000
Total invest.	2,010,554,943	1,996,946,407
Total share cap. at cost	25,000,000	25,000,000
Premises	3,959,833	3,959,029
All other assets	16,788,255	21,161,359
Total assets	2,151,107,803	2,139,714,136

HARRY PRICE INSURANCE AGENCIES LIMITED
TORONTO • WINNIPEG
15 King W. AD. 5064 Paris Bldg. 925-531

ST. REGIS PAPER COMPANY REPORTS ON 1949

SUMMARY OF CONSOLIDATED INCOME
FOR THE YEARS ENDED DECEMBER 31, 1949 AND 1948

	1949	*1948*
Net Sales, Royalties, and Rentals	$127,335,591.23	$162,672,925.94
Cost of Sales and Expenses	118,719,146.39	138,402,144.86
Operating Income	8,616,444.84	24,270,781.08
Income Credits	1,641,767.12	1,144,219.13
Gross Income	10,258,211.96	25,415,000.21
Income Charges	2,191,684.18	1,455,297.85
Net Income Before Provision for Federal and Foreign Income Taxes	8,066,527.78	23,959,702.36
Provision for Federal and Foreign Income Taxes	2,588,325.08	9,042,499.64
Net Income Before Deduction of Minority Interests	5,478,202.70	14,917,202.72
Deduct equity of minority holders of subsidiary's common stock in income	—	57,400.15
Net Income	5,478,202.70	14,859,802.57
Dividends Paid: Preferred Stock	$ 798,575	$ 828,208
Common Stock	3,102,428	4,136,571

Provisions for depreciation and depletion charged against income amounted to $5,376,929 for 1949, and $4,568,416 for 1948.

ST. REGIS
PAPER COMPANY
230 Park Avenue, New York 17, N. Y.
Offices in Principal Cities. In Canada: St. Regis Paper Co. (Can.) Ltd., Montreal

Products—Multiwall Bags and Bag Filling Machines . . . Printing, Publication and Converting Papers . . . Bleached and Unbleached Kraft Paper and Board . . . Bleached and Unbleached Kraft Pulp . . . Panelyte Laminated Plastics.

These Debentures having been sold, this advertisement appears as a matter of record only.

New Issue

$10,000,000

Industrial Acceptance Corporation Limited

(Incorporated under the laws of Canada)

4% Sinking Fund Debentures

To be dated April 1, 1950 *To mature April 1, 1969*

These Debentures will, in the opinion of Counsel, be legal investments for funds of Insurance Companies registered under The Canadian and British Insurance Companies Act, 1932, as amended.

A copy of the prospectus will be furnished upon request.

We as principals offered these Debentures, if, as and when issued and received by us and subject to the approval of all legal matters on behalf of the Company by Messrs. O'Brien, Stewart, Hall & Nolan and on our behalf by Messrs. Wainwright, Elder, Laidley, Leslie, Chipman & Bourgeois.

Price: 100 and accrued interest

It is expected that interim Debentures, exchangeable for definitive Debentures of the Company when available, will be ready for delivery on or about April 1, 1950.

Greenshields & Co Inc
Nesbitt, Thomson & Company Limited
W. C. Pitfield & Company, Limited
James Richardson & Sons
Yorkshire Securities Limited
Wood, Gundy & Company Limited
L. G. Beaubien & Co., Limited
Midland Securities Limited
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Cochran, Murray & Co. Limited
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Because a poorly conceived plan has been known to create a worse problem than the one which it set out to solve. Continuous amendments to your plan are difficult and costly, and in many cases can be eliminated by proper original design.

Because only a firm such as Peck, Foster and Associates, with experience in such widely divergent fields as economics, industrial relations, corporation finance, and with the necessary knowledge of the administrative practices of the various underwriters available, can bring the numerous related factors into focus for top management decision.

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and Associates

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5 - 4575

Experiment With Hardwoods' Pulp

Canadian pulp and paper manufacturers are following with considerable interest experiments on the making of paper pulp from hardwoods. They are being conducted by the College of Forestry, Syracuse, of State University of New York in conjunction with 14 U. S. and Canadian paper mill sponsors, acting as a group under title of Empire State Paper Research Associates Inc.

The new process has been named the chemigroundwood process of manufacturing pulp from hardwoods, the term being coined by the researchers.

A major advantage which should arise from the perfection of the chemigroundwood process would be better utilization of the woods. It is expected that it would be a timber conservation measure of major importance.

There is a feeling among Canadian pulp and paper company executives that more work will have to be done to perfect the process and so make it commercially profitable.

The two Canadian members of ESPRA are Howard Smith Paper Mills Ltd. and Ontario Paper Co.

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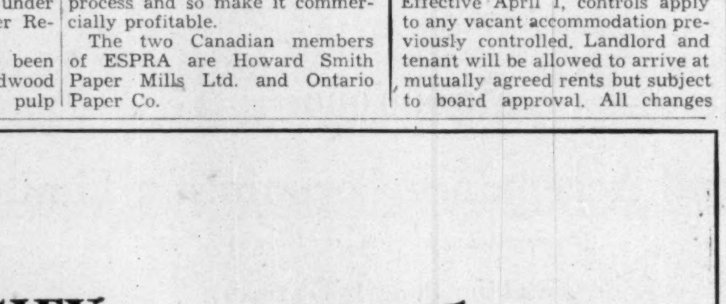

CANADIAN METAL WINDOW
& STEEL PRODUCTS LIMITED

139 Stephenson Ave.,
TORONTO

4862 Wilson Ave.,
MONTREAL

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

Disaster Plan Takes Shape: Civilian in character and similar to the setups in U. S. coast cities, Vancouver's disaster plan to cope with calamities is taking shape. Developed by Chief Constable Walter Milligan, who studied the Noronic disaster, plan would appoint Vancouver's mayor as supervisor with the chief constable himself as contact man for radio liaison controlling six major committees: Police to guard disaster area; firefighting for rescue work; medical services to cover first aid; board of works to look after crippled utilities; transportation for evacuation and Red Cross to care for victims. Plan would form the nucleus of an organization that could be quickly expanded to meet wartime emergencies.

Healthy Outlook for Spa: In the proud words of A. J. McLennan, president of United Distillers Ltd., new owners of B. C.'s Harrison Hot Springs Hotel, "there will be nothing like it on the continent" when renovations are completed. With 200 men on the job under direction of top U. S. and Canadian designers, interior of the famed Western Canada spa is taking on the sparkle of its famous waters as new ideas in decoration and finish are incorporated. Outside major developments will include a new swimming pool with guest and spectator accommodation. Renovation of present closed pool building will include installation of Roman baths and modern therapy equipment for invalids.

• • •

Alberta

Death To Coyotes: Air force of five planes is now scouring Alberta districts of Leduc, Medicine Hat and Brooks in the growing hunt to rid these areas of livestock-destroying coyotes. Two government sponsored planes started the hunt in January, quickly gained the interest of municipal officials with reports of success coupled with the province's offer to pay 75% of the operating cost in each municipality with the other 25% being paid by the municipality or interested organizations. Latest planes are being financed by sheep-raisers and sports groups. Men operating the planes are paid $5 for each coyote killed.

Farm Efficiency Urged: Annual short course recently held in Edmonton and attended by 500 farmers heard some pertinent remarks from Hon. David A Ure, minister of agriculture. Said Ure, "it was time for Alberta farmers to start building stability and prosperity by efficient production methods rather than depending on state subsidies. Greater efficiency must be brought about by scientifically determining production costs on a yield of unit basis instead of striving to increase yield per man."

It was Ure's hope the government would quit running a farmer's business with price supports. This course, he maintains, could lead in Canada to economic chaos such as exists in U. S. due to the subsidy program there.

• • •

Saskatchewan

Strong Mediation Board: March 31, last day of federal rent control will see Saskatchewan's rents immediately frozen. This will be one move embraced in the sweeping powers given the provinces mediation board under Saskatchewan's bill to control domestic rents. Effective April 1, controls apply to any vacant accommodation previously controlled. Landlord and tenant will be allowed to arrive at mutually agreed rents but subject to board approval. All changes must require written permission of the board and no tenant can be evicted except by board order. It will be illegal for a tenant to pay a rent he knows is higher than the fixed rent. Skullduggery tactics forcing a tenant seeking housing to pay a bonus are also banned. New accommodation coming into existence after April 1, will not be controlled.

Train Indian Prospectors: Saskatchewan is enlisting its Indians in its drive to become a great mining province. Based on the supposition that in many large areas it is not possible for prospectors to gain a livelihood but that Indians can, the government is attaching two Indian trainees with every prospecting party sent out. Each is paid $135 a month while training. Results to date have been encouraging, reports the province's mineral branch. Co-operation between geologists and Indians is quickly effected and the interchange of scientific knowledge for practical details of woodcraft has been as much to the benefit of geologists and students as to prospectors.

• • •

Manitoba

Action On Traffic Accidents: As forecast in the throne speech, government action to stop the upward trend of traffic accidents in Manitoba is in the way of being implemented. Hon. J. O. McLenaghen, attorney-general has given notice of a resolution he'll introduce in the house. This proposes that the assembly's committee on law amendments hear representations from all municipalities, associations or even the man-in-the-street wishing to submit suggestions for greater highway safety. Soon to be appointed will be a director of highway safety who will determine what action should be taken and make recommendations to the provincial government. Stricter drivers' tests and compulsory safety-lane inspection for automobiles are also under study.

Calls For Farm Changes: In introducing to the Legislature his departments estimates for 1950 — $982,242 — Agriculture Minister F. C. Bell called for greater diversification of Manitoba's farm production to meet changing conditions. He said markets for western Canada farm products are becoming "increasingly uncertain," but saw no reason for "preaching blue ruin." The swing, he suggested should be away from wheat with concentration on flax, sunflower, sugar-beet and barley acreage. Cattle should be emphasized in view of the opening of the "tremendously important" United States market.

• • •

Ontario

Liberal Joan-of-Arc: Girl with politics on her mind, Ruth Radford, 25-year-old Toronto receptionist, has again been nominated to crack Canada's most exclusive men's club—the House of Commons—and champion the cause of the Liberal party. This time she will contest the Toronto-Broadview seat left vacant by the death of T. L. Church. In the general election of June 27 she ran second to Mr. Church but polled the largest number of votes ever amassed by a Liberal in the riding. In Tommy Church the riding had a unique representation and Miss Radford hopes to carry on the tradition. Said she, "The soft tones of a woman are needed to quiet all those angry men's voices and influence the Government for Broadview."

Mechanical Brain Invention: Tiny electronic tube, invention of Joseph Katz, 28, Vienna-born University of Toronto scientist is expected to have a profound influence on the development of Canada's first "mechanical brain" now building at the University of Toronto. Katz's tube dispenses with a maze of complicated gear heretofore required. When built "brain" expected to be able to solve every conceivable mathematical problem fed into it in a matter of seconds. Able to do 25,000 problems in addition in one second flat it will also have a memory far beyond the scope of the ordinary human.

• • •

Quebec

To Explore Baffin Island: "Exercise Muskox" commander, Col. P. D. Baird, will head a new expedition to Baffin Island this summer, according to McGill headquarters of the Arctic Institute of North America. Included will be scientists from Canada, United States, Great Britain, Finland and Norway, a mountaineer team from Switzerland and four McGill students. Scientific in purpose, expedition will study geology, zoology and glaciology. Fifth largest island in the world, Baffin Island is twice as big as the United Kingdom. Mapping of its coast is far from complete although known to whalers for over 100 years. Research team will probe an ice cap 100 miles by 40 in the interior.

To Ban Moose Hunting: Slaughtered last season at a rate never before approached, Quebec's moose are in line for a reprieve following a government announcement of intention to ban moose hunting in the province. Under proposed legislation, game laws will be redrafted with stiffer fines for violations. Forbidden will be the use of motors or planes for hunting. Mass murder of moose was blamed on an influx of hunters from Ontario, from the U. S. as well as Quebec hunters.

• • •

New Brunswick

Plan Act To Lure Industry: Big drawback to Saint John, according to its Chamber of Commerce is the lack of facilities and accommodation that would invite the establishment of new industries. To overcome this the municipality will seek legislation entitled "An Act to Authorize the Municipality of the City and County of Saint John to Assist Industry." Under it, the municipality would be authorized to purchase lands and buildings, construct buildings, lease and sell such buildings to persons and corporations engaged in industry and to guarantee the bonds of industrial corporations.

• • •

Nova Scotia

Processing Plant to Reopen: War-born industry, inactive for a year due to an inadequate supply situation, Canada Foods, Ltd., one of the largest fruit-processing plants in the Maritimes, will reopen again on a year-round basis, according to company president, Owen Graves. Regarded as vital to Annapolis Valley economy, plant was opened in 1943, originally for the dehydration of potatoes for Special Products Board, Ottawa, and employed 300 persons during peak periods. It is now felt there is a definite place for the industry in processing Annapolis Valley products. Work of installing new machinery for operations to commence in August has started. Initially 100 will be employed.

Wants Dosco to Expand: Urging that Provincial Dept. of Trade and Industry pressure be brought to bear on Dominion Steel & Coal Company to expand its steel production industry if the company refuses to effect such expansion, is Halifax County Warden W. J. Dowell. Said Dowell: "Dosco has an excellent chance to become the Pittsburgh of Canada and it would be a great loss to the province and to Canada if this opportunity were thrown away. With the plentiful supply of coal in Cape Breton and the opening of great new ore bodies in Labrador, along with those ore deposits now worked, it seems rather unsound that we should be required to go to other parts of the continent to procure heavy steel."

• • •

Prince Edward Is.

Margarine Bill: A bill to lift the ban on the sale and manufacture of margarine in Prince Edward Island will be introduced during the current session of the Legislature. Similar to one suggested in the Throne Speech last year but never introduced, the bill would allow the sale of margarine but restrict its color. If the bill is passed, according to Agriculture Minister Cleveland Baker, it would likely be held for proclamation until the Privy Council gives its decision on the appeal of the Canadian Federation of Agriculture. Federation has appealed a Canadian Supreme Court decision that sale and manufacture of the butter substitute is legal.

• • •

Newfoundland

May Settle Military Issue: Future status of U. S. military bases in Newfoundland may be settled at a meeting of the Canadian-U. S. Permanent Joint Board on Defence at Montreal, March 29. Canada's position is understood to be that, since Newfoundland is now a full-fledged province, the U. S. should retain no more special rights on bases there than it exercises on other parts of Canada's soil. An attempt may therefore be made to "water down" the special rights acquired by U. S. in its "destroyers - for - bases - deal" with U. K. early in the war. Informed opinion in Ottawa is that both countries will yield a little in the final decision. Board chairman for Canada is Gen. A. G. L. McNaughton, assisted by senior officers of all three services.

Newfoundland New Competitor?: Possible invasion by Newfoundland of the fish markets of other Maritime provinces has been announced by the island's Minister of Fisheries, William Keough who told the Legislature that unless the province manages to sell 250,000 quintals in Europe this year she may have to invade Caribbean and other traditional markets for the Atlantic provinces in the Western Hemisphere. Heretofore Newfoundland market for cod was mainly in Europe, but devaluation hit its trade. The minister also said that the Government is planning a long-term shift to western markets for its fish and called on fishermen for a tenfold increase in production.

COMPANY REPORTS

CELANESE CORP. OF AMERICA reports that good progress is being made with the construction of the high alpha cellulose plant near Prince Rupert, British Columbia, by its Canadian subsidiary, Columbia Cellulose Co. Of the $12,500,000 (Canadian) of capital stock for which Celanese Corp. of America has subscribed, $9,000,000 (Canadian) was paid in up to Dec. 31, 1949.

Preparations for supplying logs to the mill were also advanced in 1949. Buildings and equipment for a camp were assembled in readiness for logging during the 1950 season. The major part of the improvement of the Skeena River for bringing logs from the interior forest areas to the booming grounds was completed during the year, it is stated.

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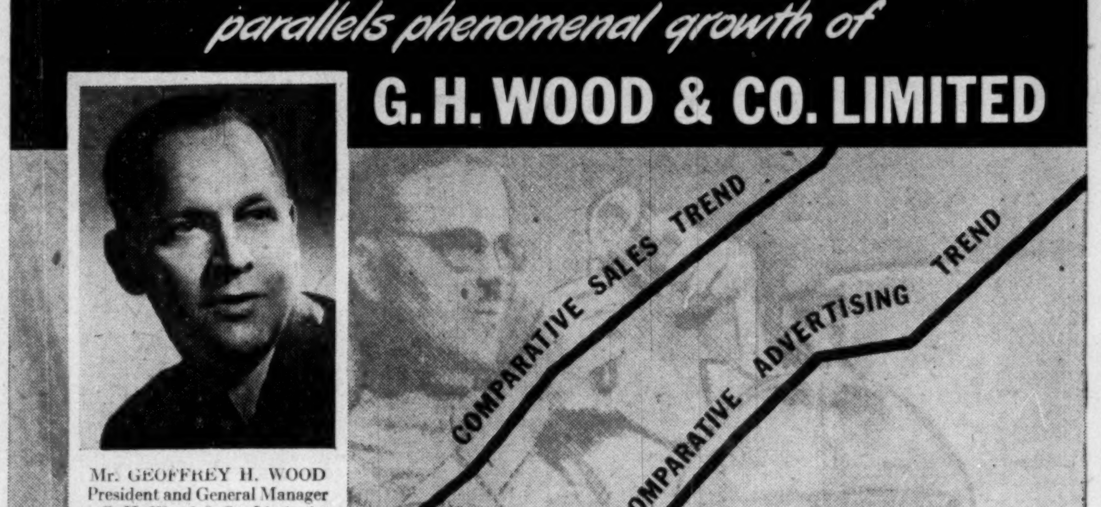
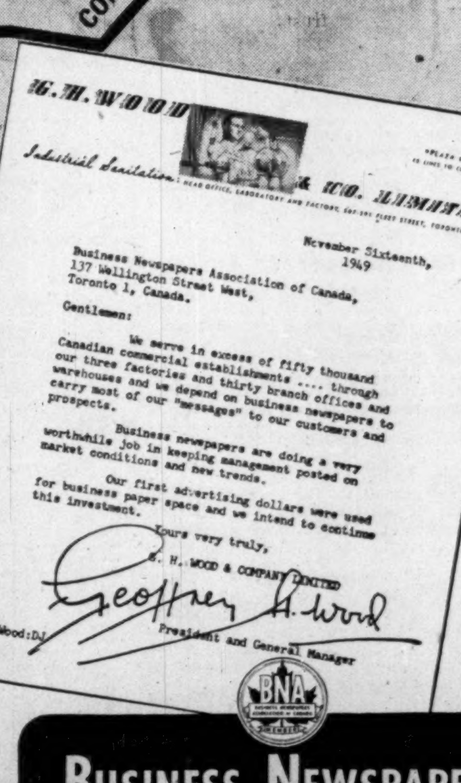


Mr. GEOFFREY H. WOOD
President and General Manager
G. H. Wood & Co. Limited



G. H. WOOD & CO. LIMITED
Industrial Sanitation

November Sixteenth,
1949

Business Newspapers Association of Canada,
137 Wellington Street West,
Toronto 1, Canada.

Gentlemen:

We serve in excess of fifty thousand Canadian commercial establishments .... through our three factories and thirty branch offices and warehouses and we depend on business newspapers to carry most of our "messages" to our customers and prospects.

Business newspapers are doing a very worthwhile job in keeping management posted on market conditions and new trends.

Our first advertising dollars were used for business paper space and we intend to continue this investment.

Yours very truly,
G. H. WOOD & COMPANY LIMITED
Geoffrey H. Wood
President and General Manager

GHWood:DJ

A copy of Mr. Wood's letter to the Business Newspapers Association of Canada

VOLUME OF BUSINESS HAS INCREASED 2,000 PER CENT IN 10 YEARS

"We depend on business newspapers to carry most of our 'messages' to our customers and prospects," states Geoffrey H. Wood, President G. H. Wood & Co. Limited.

G. H. Wood & Co. Limited provides "Sanitation for the Nation", serving over 50,000 commercial establishments. This multi-million dollar Canadian company manufactures and sells over 200 classes of goods including liquid toilet soaps, deodorizers; paper towels and place mats; electric floor polishers, waxes and soaps; "pressure-packed" glycol-ized air sprays and a complete line of Sanitation products.

For many years G. H. Wood & Company has been a consistent user of business papers. Mr. Wood states: "Our first advertising dollars were used for business paper space and we intend to continue this investment."

BUSINESS NEWSPAPERS ASSOCIATION
OF CANADA
137 Wellington St. W., Toronto, Ont. Telephone WA 5462

Here's What Quebec Catholics Urge on 'Social Justice'

Said Church's Plan to Stave Off Growth of Belief in Communism

What is the import and significance of the document on social justice just released by a group of Quebec Roman Catholic clergy?

One French Roman Catholic layman tells The Post that it puts forward nothing new, but says it emphasizes ideas which have only recently gained wide favor in the Catholic church. "They are issued by a church friendly to individual enterprise in order to point the way to making the system work and work better and stave off the growth of beliefs in other systems."

This informant believes the circulation of this "directive" will be limited very largely to Quebec; that it is unlikely to be used in western Canada or in the United States.

Herewith a digest of a translation of the current directive of the Quebec Roman Catholic group.

In the face of the profound changes which have occurred in economic life, in the face of social agitation which marks above all the postwar years, in the face of the confusion of mind which threatens to trouble our people and to retard their social progress, and conscious of our pastoral office, we wish to recall to your mind the teaching of the Church concerning our own workers.

We are assured that our words will be received with faith, and we trust that nothing among our people will merit the painful declaration of the Sovereign Pontiff concerning the success of Communism in certain countries: "We are not unaware that, even among Catholics, the Church has sometimes unjustly been accused of having by its social doctrine favored subversive systems or prepared the way for them. Those who have thought or spoken in such a manner, who have not wished to acknowledge the authority of the Church, can now only keep silent in the face of inevitable reality."

We cannot insist too strongly on the primary need for seeing clearly the actual conditions of the workers' life.

Working Conditions

We must acknowledge that the economic situation of our country compares favorably with that of most countries in the world. For this we are grateful above all to Divine Providence, which has endowed our soil with considerable riches and spared our continent the devastations caused by recent world conflicts. Our working class has profited from this situation and on the whole it has enjoyed a fairly high standard of living.

However, this general affirmation should not cause us to forget the evils from which our working class still suffers. There exist numerous regional and professional groups whose revenues are not sufficient. No one could maintain that the national wealth is equitably divided. And no more among us than elsewhere has the fundamental problem of the workers' life been resolved, the problem of the economic and social security of the worker.

Industrialization is not a new phenomenon in our country; but in the course of the last decade it has expanded considerably. Work by women has developed at an accelerated rhythm. The population of the cities has been augmented notably. Industrial progress has even accentuated the abandonment of our fields. In this manner the situation in our urban centres has been complicated.

A rural person no longer finds his traditions and habits in the city. The institutions which used to protect him no longer have the same character, and some of them have lost their vigor.

This problem of adaptation is at the root of many difficulties, and sometimes of great miseries, for individuals; and constitutes for the urban community an obstacle to the establishment of its equilibrium and to the organization of its religious, social, and economic progress.

Housing

The rapid augmentation of the urban population has also created a critical housing problem with all its evil consequences: the crowding of families which leads to the limitation of births; the desertion of the home which accentuates juvenile delinquency; alcoholism, drunkenness, and the loosening of morals; and disequilibrium in family life brought about by the unfortunate negligence of the precise duty which God has assigned to each member of the family.

Another consequence of the rapid industrial development is that many workers have entered new industries without having been able to acquire sufficient preparation. Their presence in plants has further complicated the problems of industrial life and has spread the deplorable effects with which the economic regime can be reproached.

One knows, for example, the place occupied by mass production (travail en serie) in modern industry. But in the present state of his organization, this does not satisfy the cultural and psychological needs of the worker. As a consequence the factory laborer is not interested in his work. Only too often he enters the shop anxious to leave it as quickly as possible to seek elsewhere the counter-irritant which responds to his need for development.

Moreover, one can observe among the workers' world, as elsewhere in the other classes, a diminution of the sense of responsibility — the sense of professional conscience is weakened. Conditions of industrial hygiene have not been improved to the point of attenuating as much as possible the dangers which threaten the health of workers.

Finally, solicitations to evil in working places, often caused by promiscuity, are a menace to Christian life, above all that of young people.

Collective Rights

But one cannot have a just idea of modern working life without looking briefly at industrial relations and at the associations which group the workers. During the war the workers were better able to understand the importance of their role in the national economy. A greater independence with regard to their work enabled them to express requests which had hitherto been rejected.

Freed from fear, they have entered in greater numbers the workers' associations by means of which they have made their claims known. The working class thus acquires more and more a collective realization of its rights and of its strength: it knows how to defend its rights and to make them respected. Here is a phenomenon which disturbs some, and which others regard with confidence.

It is our duty to show the way toward a healthy restoration of this life of the workers.

Every work of restoration should be based on religion, on God. "For unless God buildeth the house, they labor in vain who build it."

Place of Religion

Let us be on guard against the thought that religion lulls the worker, or that the Church is the ally of the powerful. Religion is the inspirer of truth and of strength.

The Church preaches the eminent nobility of the worker; she shows to each a clear view of his respective function in society and of the necessary collaboration of all for the common good; and she gives men the supernatural strength to fulfill their duties.

Those who have at heart the restoration of the life of the worker should envisage all the problems which it poses and the reforms which it demands in the light of the family, that primary cell of the social organism. Sufficient income, family housing, measures of social security, reduction in taxes, a moral atmosphere.

Here are enough factors to permit the worker to provide his family with a living worthy of their humanity, and, together with his wife, to look after the education and instruction of their children.

One of the happy effects of modern mechanization has been to lessen the hours of labor. This progress will be a true gain for the working class and for society, if the workers know how to draw profit from their more abundant leisure.

Leisure is not the end of life. However, when it is well used it renders family life stronger, develops a sense of responsibility, and contributes to the full flowering of the individual by the maintenance of his physical strength and by the development of his faculties and his moral virtues.

Workers' Rights

In modern economic life, labor has not the place to which it is entitled in justice. As Pius XII has said: "The worker, in his effort to improve his situation, is frustrated by a whole system which, far from being in conformity with his nature, is in opposition to the order of God and to the purpose assigned by God for terrestrial goods."

The reason is that in big business such as actually exists and lends tone to the industrial world, the efficacy of the machine supplied by capital relegates to second place the aid of labor, thus reversing the true scale of values which should be established between the different agents of industrial production.

Everything should be done so as to give to the worker his legitimate share of responsibility, of culture, and of material goods in a social order that is truly human. To attain this end, it is necessary to see work as it should be according to the plan of Providence. Only a Christian concept will assure nobility and dignity both to work and to the worker.

The farmer and the craftsman can easily find in their work all its possibilities for human perfection and supernatural merit. It is not the same for the workers and for most people earning salaries.

Moreover, modern technique has led to a more marked separation between capital and labor and has caused many misunderstandings and conflicts. A rediscovered understanding of work and of its ends will correct this deplorable situation and re-establish order in professional relations.

Christian Concept

It is therefore necessary that economic life should be so ordered as to recognize the Christian concept of work. An evil system of work will compromise all effort at restoration because it leads to an abject materialism. There exists, in effect, a direct connection between the lack of satisfaction which the working classes derive from their accomplishment of their labor and the decline in private and public morals, and the consequent decline of the Christian spirit.

We must not lose sight of the fact that the inauguration of a better regime of work is intimately bound up with the true spiritual values which the Church recognizes in work and in the man who executes it. Economic reforms should take into account the exigencies which derive from the moral nobility of work and from the primacy of man over matter. As well as a just, living, family and human remuneration, these exigencies also include, on the one hand, the adaptation of work to man: duration, rhythm, methods, hygiene, apprenticeship, professional milieu; and, on the other hand, an organization of labor based on a workable statute to protect the right of association —employers' as well as workers' —which will normally lead the associations of employers and employees toward the guild system (organization corporative).

Enterprise Reforms

It is first of all in the enterprise, cell of economic life and sphere of daily action, that industrial work — characterized by mechanization, standardization, and the specialization of tasks—should be organized more humanely. Structural reforms should endeavor more and more to interest the workers in the very life of the enterprise in such a way that all those who participate therein, management and workers, may realize their "community of activity and of interest."

It is necessary to state that, in an economy impregnated with economic liberalism, the regime of the simple wage contract tends to favor class-war, has deepened the gulf which separates capital and labor, has led shareholders to seek abusive profits, and has lessened care for honest and competent work among workers by not integrating them sufficiently into the life of the enterprise.

We believe it to be our duty to direct social action toward a reform of enterprise which will gradually lead organized workers to participate in management, profits, and ownership, according to a just conception of the nature of private property and of the legitimate rights of proprietors over productive property.

The restoration of the condition of the workers cannot be brought about unless the workers themselves have a truly noble and Christian appreciation of one another, and unless they are fundamentally disposed to co-operate and to aid one another.

In taking religion for their guide and for the inspiration of their life, the workers will avoid the bitter disillusionments which are inevitably earned by those who place all their hopes in the ephemeral goods of this world, and who sacrifice their eminent dignity as men "to the idols of a poorly understood terrestrial progress." They should realize the grandeur of their work, the importance of their function, and the nobility of the working class.

Joint Action

However, the activities of isolated workers will never achieve sufficient results. The size of the task requires collective efforts. It is a question of a vast joint movement seeking to render the soul of the working class more Christian, and, to that end, to create around it a favorable atmosphere by restoring the institutions and the milieu which frame its life.

Workers should also unite their efforts and their resources in cooperative enterprises with a view to their economic prosperity and their social advancement. Immeasurable services can be rendered them by their co-operatives —particularly for the solution of the housing problem. Therefore they should busy themselves in promoting and developing such works.

Individual efforts by workers, and their collective efforts by means of Catholic Action, professional associations, and the cooperative movement, are therefore the indispensable conditions for the restoration of the life of the worker.

The good conduct of personal and family life, as well as the exercise of the responsibilities called for by their associations, will produce within the working class an ever more numerous and apostolic elite which will think it a very great honor to stay in the working class in order to serve it better and to help it to attain the highest possible level of moral and religious, professional and cultural life.

This elite will constantly have before its eyes the high end toward which the workers' movement should tend, that is to say "the formation of truly Christian workers who, excelling equally in ability to practice their trade and in religious perception, will know how to harmonize a firm protection of their economic interests with the strictest sense of justice and with a sincere desire to collaborate with the other classes of society for the renewal of the whole life of society."

Employer Responsibility

Employers can and should make a very important contribution to the personal, family, and social advancement of the workers. We know their problems, and we realize that the employers carry the heavy heritage of an unjust economic regime which has exercised its ravages for several generations. They should not altogether forget that upon them in great part rests the responsibility of making this regime conform to the prescriptions of the natural and the divine law, even at the cost of certain sacrifices.

Firmly attached to the doctrine of private property, the Church asks employers not to forget the social aspect according to which they must not neglect their obligation to subordinate the exercise of this right to the exigencies of the common good, and to the limits imposed by the rights of employees, consumers, and other employers—above all in small or medium sized industry.

Employers have the primary responsibility for the economic life of their enterprise. Their right and duty is to ensure its material prosperity and its financial stability. In order to attain this end, they should use the most appropriate technical means. But if they value their employees for their dignity as men and as Christians, if they constantly give the example of a truly Christian life, if they endeavor to develop an atmosphere of cordial collaboration, if they pay just salaries and ceaselessly strive to improve working conditions, if they agree loyally to collaborate with their employees' union, they will favor social peace and a harmonious understanding between capital and labor, and they personally will obtain temporal successes which others will try in vain to realize by the exclusive use of technical and financial means.

Quite a few employers complain with reason of the impediments to the practice of justice caused by unbridled competition in existing economic life. By uniting in professional associations which draw their inspiration from the social doctrine of the Church, they will derive numerous advantages in the economic, social, and moral order.

By a more profound study of Catholic doctrine, by a union of their skills and knowledge, they will be able more easily to perfect the technique of their enterprises, to bring about an improvement of the laws which concern work, industry, and commerce, to develop their social sense, to collaborate with workers' associations, and to find the means to fulfill their obligations of justice and charity.

Christian Spirit

Catholic employers can efficaciously aid in the restoration of the life of the worker, in "penetrating the world with Christian social doctrine." (Pius XII to the Congress of Associations of Catholic Employers, May 7, 1949). We expect much from their courage, their generosity, and their Christian spirit. May they reread from time to time together with the leaders of the workers the precious advice given by Pius XII to Catholic employers: "Many men, industrialists like yourselves, Catholics and non-Catholics also, have on many occasions expressly declared that the social doctrine of the Church—and that alone — is able to supply the essential elements for a solution of the social question. Assuredly the putting into practice and the application of this doctrine cannot be the work of a day. Its realization demands from all participants clear and far-seeing wisdom, and a strong dose of common sense and good will. Above all it asks of them a radical reaction against the temptation for each to seek his own advantage at the expense of other participants and to the detriment of the common good. Finally it requires a spirit of disinterestedness such as can be inspired only by a truly Christian virtue sustained by the aid of the grace of God."

To be bearers of Christian truth in the world of economics, what a responsibility and also what an honor for employers and employees!

Public Attitude

The efforts of workers and employers to restore the life of the worker should be sustained and completed by the well-intentioned aid of all citizens, particularly professional persons and educators.

The more fortunate classes, those whose influence is more notably stronger and to whom a greater education gives a greater prestige, should understand their social duty and be faithful to it. The higher the position occupied, the greater the obligation to serve. All those who have the advantage of benefiting from a superior intellectual and moral formation which has enabled them to build a brilliant career and to number themselves among the elite of society, have thereby an added reason for fulfilling their social duty.

Representatives of the liberal professions should always show a great moderation in the fees they charge for their services. They fulfill a social function which they ought to accomplish with disinterestedness, without unhappy conniving with the power of money, and without paltry scheming — political or otherwise.

They will be the apostles of a restoration of the social order to those who direct finance, commerce, and industry, with whom they come in contact and whose thought they can influence. They will try to understand the claims of the workers, and they will gladly lend their good offices to bring about collaboration between capital and labor and to promote social peace.

Teachers Have Duty

More than any other, our epoch needs convinced Catholics of worthwhile generosity, who understand all the beauties and all the exigencies of religion, including those of the social doctrine of the Church. Unless teachers take care to give a sufficiently social formation, unless they direct their pupils toward the splendid realities of the generous life which they should lead, our young people will easily withdraw themselves from such a life being more attracted by an ambitious and hedonistic egoism, ready rather to sacrifice everything for the success of a lucrative career which is socially useless if not evil.

And whatever level of education teachers may find themselves, they should try to understand the real needs of workers, their problems and the necessary solutions thereto. They should teach this knowledge to their pupils. They should have recourse to the best pedagogical methods to teach the social doctrine of the Church and to adapt it to the intelligences which they are called upon to enlighten. They should inculcate a social sense in their pupils by fostering among them a preoccupation with the common good and a love of the society which they must serve in the measure of the talents they have received.

State's Responsibility

The State also can and should exercise its helpful influence to improve the lot of workers and their families. It carries the heavy responsibility of promoting the temporal welfare of all its citizens without exception, while according particular care to the weakest. And the Church, beyond and above all political parties, offers its loyal collaboration to all who exercise civil authority.

The civil authority merits profound respect, because all legitimate authority on earth comes from God. Such respect should be met with among those who exercise this authority, for, in effect, it is a sacred trust confided to them by God for the good of the collectivity. It should also be met with among all citizens, leading them to submit willingly to the law in so far as what it imposes is just.

What is to be asked of governments is a grouping of laws and institutions which will cause public and private prosperity, and peace and social order, to flourish. For the principal role of the State is to "direct, survey, stimulate, and limit, according to the bearing of circumstances or the demands of necessity." Above all, it should aid citizens, families and associations to fulfill those functions which they are capable of undertaking themselves.

The State is under a special obligation to help to improve the condition of the workers. By legislation ceaselessly adapted to new needs, by an adequate enforcement and application of the laws, it should effectively safeguard the right of workers to a just salary and to healthy conditions of work from both the physical and moral points of view.

Legislation

Legislation concerning the right of association should constantly be improved so as to permit a sound unionism to fulfill its necessary role as an agent of order and social peace. Consequently laws on industrial relations, on collective agreements, and on the prevention of conflicts by conciliation and arbitration, should be such as to protect all the legitimate interests of workers.

Those governments are well advised which, by appropriate measures or by laws, seek to check the activities of Communism and other movements subversive of Christian social order. Measures of repression are necessary, but they will only be effective if they are accompanied by sincere efforts to create a social order based on justice and charity.

Above all it is necessary to favor a better distribution of riches, a state of security for all honest and conscientious workers, and a system of labor which respects the human dignity of the worker.

The Church's Task

The task of restoring the life of the worker cannot be accomplished without the aid and inspiration of religion and hence of the Church, which must operate wherever there are souls to be saved. By their ministry, priests exercise an irreplaceable influence: they elevate souls toward supernatural truths and encourage the faithful to practice Christian virtues.

This task is of far greater importance for social and economic life than is generally realized. For religion contributes very effectively toward increasing the temporal well-being of men by establishing it on immovable foundations of Christian virtue, and in particular on the virtues of hope and charity. Without the Christian spirit, "all their efforts would be in vain for they would build not on rock but on shifting sand."

Moreover, the Church is happy to offer the generous assistance of specially trained priests, which she particularly puts at the disposal of Catholic Action and social action. How noble and delicate is the task of these priests who accomplish their apostolic function in associations of employers and of workers. In the exercise of their apostolate they come under the authority of their own Bishop, whose duty it is to watch over and guide their social action.

These chaplains should accomplish a work of education and of formation. It is for them to give encouragement when trials come, but above all to fill souls with the wonderful social doctrine of the Church and, with the grace of God, to develop among all the members, and especially among the leaders, the supernatural life with all its concomitant Christian virtues.

In order to ensure unity of thought and action among all priests engaged in social action, we have established the Sacerdotal Commission of Social Studies. The happy influence which it has already exercised, leads us to hope that it will give a powerful impulse to the necessary action of priests, and even of the laity, in the work of social restoration and the uplifting of the working class.

In concluding this letter, we are convinced, dearly beloved brethren, that you have a better understanding of the need for every true disciple of Christ to work energetically and generously for the Christian inauguration of a better condition of life for the workers. We are confident that our teachings and our directives will be received by all with faith and understanding. May the clerical and lay social apostles redouble their zeal. May the laity, in the light of the teaching of the Church, build economic and social structures by means of which our society may obtain for all its citizens a more just participation in the goods of our country.

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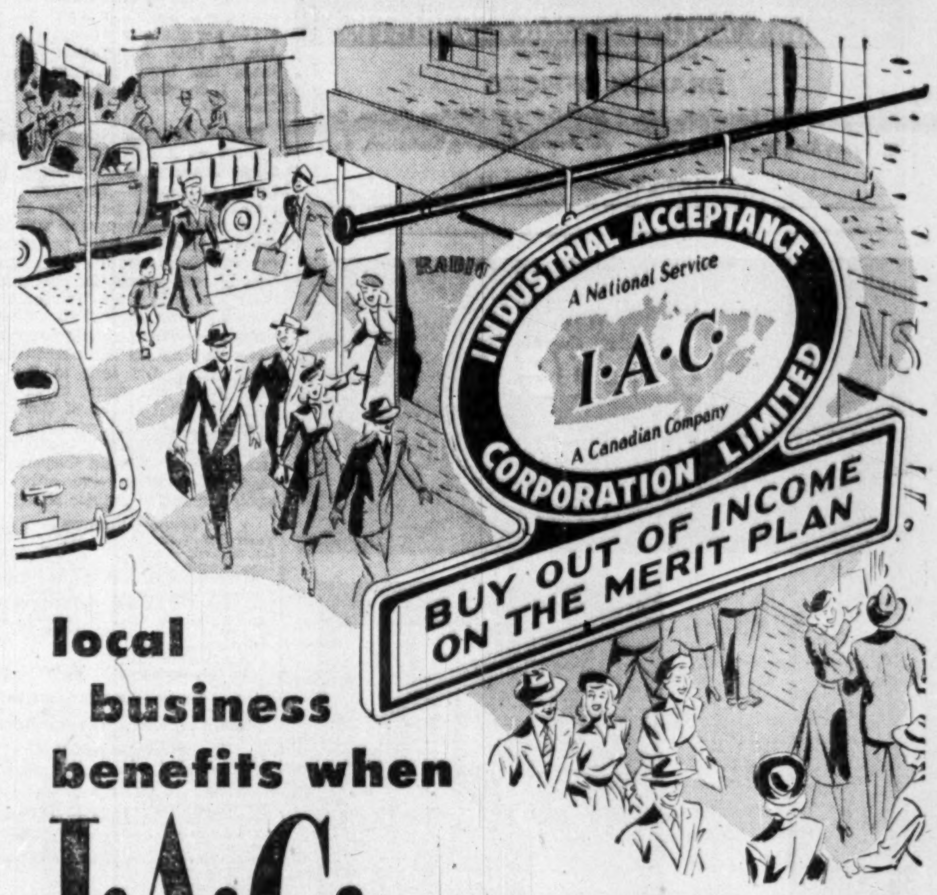
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ABOUT YOUR TAXES By STUART THOM, LL.B.

Must Accept Assessment If No Records Are Kept

Five farmers, all from Western Canada, have recently had instruction from the Tax Appeal Board with regard to the operation of the Income War Tax Act. The patterns of their misfortune were remarkably alike.

"The Minister did not find their income tax returns satisfactory," to quote the dry words of the judgments. Accordingly he set his sleuths to work. The result in each case was a so-called "arbitrary assessment on a net worth basis."

Assessments such as these are made up from a statement of the taxpayer's assets or worth on successive dates, in the present cases Jan. 1, 1941, and Dec. 31, 1946.

The increase in the amount of his assets, that is to say his net worth, is apportioned over the intervening years. This, plus an amount of estimated annual expenditure, provides a rough-and-ready approximation of income.

Will Hear Complaints

The Board makes it quite clear that where a taxpayer has failed to keep adequate records from which his income can be determined, it will accept the Department's net worth calculation and assessments based thereon. At the same time, the Board will hear the taxpayer's complaints and within reason will amend the assessment.

In one case the taxpayer had "forgotten" to tell the assessors about $1,500 in bonds which he was able to convince the Board he had actually owned on Jan. 1, 1941. In another case, however, the taxpayer failed to convince the Board that he had $3,200 cash on hand on Jan. 1, 1941, which had not been previously brought to the attention of the officials.

In another case the Board pointed out that wheat grown in 1939 and 1940 but still on hand on Jan. 1, 1941, could not be included in the opening statement of assets when income returns had not been filed in respect of the years in which the wheat had been grown. To have accepted the taxpayer's argument, that such wheat should have been included in the opening statement of assets, would have had the effect of exempting it from tax altogether.

Valuing Equity in Land

In a third case there is a discussion of the proper basis on which to calculate the amount of the increase in the value of the equity in land. The purchase price was expressed in bushels of wheat and not in dollars. It was held that the actual amount realized in each year during the six-year period for wheat delivered should be used. The method followed by the Department of using a constant value for wheat delivered throughout the period was not accepted.

But the moral of these judgments will be found in the refusal of the Board to give effect to the unanimous complaint that the officials had estimated annual expenditures at too high a figure. The taxpayers, one and all, were politely told that having kept no records they had themselves to thank for their troubles and that the Minister's estimate seemed fair and reasonable.

Statement of Net Worth

In the course of the judgments the chairman of the Board took exception to the phrase "statement of net worth." He pointed out that it was better described as "a comparative financial statement for the purpose of determining the net income." This effort to get away from jargon and to use words and phrases which convey their own meaning is well worth while.

Why not, at the same time, give the Minister credit where credit is due and throw out the word "arbitrary" as applied to assessments such as these, with its implication of high-handed guesswork? The element of guess or estimate plays a part in such assessments, but only after a lot of hard work by officials who seem to get little assistance from the taxpayers. It will be time enough to call them arbitrary when the evidence justifies criticism.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN INVESTORS CORP. reports net profit of $45,870 for the year ended Jan. 31, 1950, down slightly from the previous year's $48,706. Net asset value of the company's stock at Jan. 31 was $12.05 per share as against $11.58 at Jan. 31, 1949. A dividend of 10c a share has been declared payable May 1 to shareholders of record March 27.

Subject to ratification by shareholders at a meeting April 3, an agreement has been entered into with Corporate Investors Ltd. whereby it will purchase all the assets of the company and will offer shareholders residing in Canada (except Newfoundland) the privilege of reinvesting the proceeds of their shares in class "A" shares of Corporate Investors Ltd. without surcharge. These shareholders will have the option of surrendering their shares for cash at the net asset value per share, or of reinvesting in full shares of Corporate Investors Ltd. stock at their liquidating values. Shareholders in Newfoundland or outside Canada will be entitled to receive only cash upon surrender of their shares.

INCOME ACCOUNT

Years Ended Jan. 31:	1950	1949
Int. & divds. (net)	$52,793	$53,738
Less: Admin. exp.	4,310	2,479
Reg. & audit. fees	951	1,635
Income tax	1,662	918
Net profit*	45,870	48,706
Less: Dividends	50,000	45,000
Surplus for year	■4,130	3,706
*Excl. of profit on secs. sold credited to cap. deficit	46,187	24,430
■Deficit.		
Earnings per Share and Dividend Record:		
Earned	$0.46	$0.49
Paid	0.40+0.10	0.40+0.05

BALANCE SHEET

As at Jan. 31:	1950	1949
Cash	$119,887	$9,798
Accts. rec.	32,985	1,400
Interest accrued	8,959	4,661
Invest. (cost)*	1,038,625	1,142,539
Total assets	1,200,456	1,158,298
Current liab.	10,400	10,400
Capital stock	1,000,000	1,000,000
Less: Cap. deficit	13,355	59,543
Earned surplus	203,411	207,541
*Market value	1,053,633	1,152,547

Note: Total capital and surpluses subject to depreciation in value of investments.

INVESTMENT BOND & SHARE CORP. net profit of $236,774 for 1949 is up 27.7% from the 1948 net of $185,397. Valuation of assets at Dec. 31, including cash, etc., of $6,005, was $3,708,093 and President A. D. Emory reports that this was divided bonds 9.75%, preferred stocks 1.16%, common stocks 88.93% and cash, etc., 0.16%.

On Sept. 1, $50,000 of 3% serial debentures were redeemed.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net revenue	$250,616	$198,013
Less: Expenses	13,842	12,616
Net income	236,774	185,397
Less: Deb. interest	89,000	90,627
U. S. tax on int.	......	97
Prov. tax	74	50
Surplus for year	147,700	94,623
Times Deb. Int. Earned	2.66	2.05
Earnings per Share:		
Pref.	$8.44	$5.41
Common	0.43	d0.10
None paid on either stock.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$3,112	$11,253
Accts. rec.	......	225
Invests. at cost*	3,403,647	3,326,700
Accr. revenue	2,395	2,393
Prep. exp.	499	1,014
Net loss on secs.	1,289,947	1,260,803
Less: Rev. surplus	69,832	■77,870
Total assets	4,629,768	4,680,258
Accts. & tax. pay.	29,768	30,258
Debentures	2,600,000	2,650,000
Capital stock	2,000,000	2,000,000
*Market value	3,702,088	3,285,249
■Deficit.		

NATIONAL BREWERIES LTD. net profit of $1,910,188 for 1949 was off 36.5% from the 1948 net of $3,009,421. Major factors were lower sales volume and increased costs.

Capital expenditures totalled $2,300,000 and included bottling equipment, storage tanks, boilers, condensers and compressors. New bottling house at Dow Brewery is scheduled for operation before the end of September and construction of the new brewhouse at Dawes Black Horse Brewery is scheduled for the spring.

President N. J. Dawes stated that in the busy months, plants operated at capacity yet were unable to supply demand. He expects, however, that augmented production facilities will allow the company to take advantage of seasonal market trends and increasing demand.

CONS. INCOME ACOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$3,612,891	$5,001,257
Less: Deprec.	391,377	291,335
Deb. int.	260,000	86,667
Res. for taxes	1,051,326	1,613,834
Net profit	1,910,188	3,009,421
Less: Pref. divds.	194,250	194,250
Com. divds.	1,442,744	1,442,744
Surplus for year	273,194	1,372,427
Earnings per Share and Dividend Record:		
Preferred	$17.21	$27.11
Paid	1.75	1.75
Common	2.38	3.90
Paid	2.00	2.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,197,260	$853,645
Accts. rec.	2,324,503	1,729,952
Investments‡	1,282,798	981,883
Inventories	4,980,036	6,754,399
Total curr. assets	9,784,597	10,319,879
Dom. govt. bonds■	5,200,000	7,500,000
Investments	493,182	349,596
Misc. assets▲	993,008	1,350,881
Fixed assets*	12,138,989	8,385,021
Total assets	28,609,776	27,905,377
Accts. pay.	1,953,683	1,328,682
Tax pay.	1,632,773	1,917,320
Total curr. liab.	3,586,456	3,246,002
F.a. replace. res.	500,000	500,000
Funded debt	8,000,000	8,000,000
Capital stock	8,185,285	8,185,285
Surplus	8,338,035	7,974,090
*After depr. of	9,827,736	9,629,403
‡Market value	1,547,500	1,133,322
▲Incl. ref. EPT	607,739	1,028,321
■Bal. of proceeds of debent. issue held for plant expans. & improve.		
Working capital	6,198,141	7,073,877

Control Changes Of Penslar Co.

The Penslar Co. in Canada has been purchased by J. L. Walker of Windsor, it is announced by Controller J. F. Martin, chairman of the Industrial Promotion Committee of the Windsor Chamber of Commerce.

Mr. Walker, who is manager of the Millbank Chemical Co., Windsor, is now president of Penslar Co. Ltd., which becomes a wholly owned Canadian company.

Close co-operation will be maintained with the Nelson Baker division of Purepac Corp. of New York, American affiliate in the production of Penslar products, Mr. Walker said. The company will continue to produce pharmaceutical products with the Penslar tradition of quality in service, he adds.

Life Insurance Grows In Favor

New Types of Policy to Meet Changing Needs Increase Demand

C. G. Dynes, president of the Toronto Mutual Life Insurance Co. at the company's annual meeting recently, said Canada could look forward to eras surpassing any we have yet known "if we utilize our resources efficiently." He mentioned the oil discoveries in Western Canada, iron ore discoveries in Quebec and Labrador and new skills and techniques developed in many industries in the last few years, with ample space for greatly increased population.

He added that, as custodian of large funds for investment, he felt confident insurance companies would participate to an important extent in this progress.

"Men and women are increasingly aware of the necessity for life insurance today, if only because for a great many people it provides the only means of ensuring adequate protection for dependents," Mr. Dynes said. "Return on sound investments is now so much lower than it was 15 or 20 years ago, that substantially larger savings are required to produce the same amount of money in the same period of time. Besides, increased costs of living now call for larger amounts of savings. For example, 20 years ago it was comparatively simple to invest savings in government securities yielding 5%, whereas today investment in similar securities would probably yield little more than 3%. Also, costs of living are appreciably higher and purchasing power of money reduced accordingly.

"We hear and read much about the co-called Welfare State. Indeed, many people tacitly assume that mankind is inevitably moving toward this kind of society . . . Men and women must surely realize that the state can provide any social benefit only to the extent that its citizens are willing to be taxed therefor.

"Life insurance has shown striking progress in devising new types of policies to meet the changing demands and needs for protection and security of the general public. So long as this progressive attitude characterizes our business, I am confident the public will require and utilize our services more and more."

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THE BANK OF NOVA SCOTIA

Even Honeymooners Get Into Trouble When They Try to Beat Foreign Exchange

Hundreds try it every year but few succeed in beating Canada's foreign exchange control cops. Last year, the Foreign Exchange Control Board reveals in a review of 1949 operations, nearly 1,100 persons were caught in one way or another; together they paid out $90,397 in fines and forfeitures.

Customs men, RCMP officers caught the would-be evaders, smugglers, those who tried to get more than their $150 travel ration, in many ways. They found money tucked in shoes, socks, cigarette packages, suitcases, in linings of clothing, handbags. They caught out people who tried to beat the regulations by gambling, through fake business trips. In one case they wrecked a double honeymoon; two businessmen had tried to take their brides along on a business-trip ration.

The Board's report says 206 men and women were charged during the year; 201 were convicted; 38 men and 163 women were fined a total of $37,943. Only one action was dismissed.

Of the 201 convictions 164 involved attempts to evade travel restrictions; 103 involved attempts to take more currency across the border than allowed by law or shown on travel permits.

On charges of purchasing more than the amounts authorized for pleasure travel there were 41 convictions. Offenses followed an identical pattern. In each case the yearly allowance of $150 U. S. was purchased on a Form H for pleasure travel and then a few months later application was made by the same person to the same bank or to another bank for a further $150 U. S. on another Form H.

In each case the applicant signed a declaration that he hadn't previously exceeded the ration.

In most cases the ration was collected at least twice, but one Toronto man made out nine separate applications for a total of $1,350. He was fined a total of $400 and costs, $50 and costs on each of eight charges.

In some 20 cases were five of illegal buying and selling of U. S. dollars. In one case a Saskatchewan man bought U. S. currency from two other Canadians who had obtained their travel rations and, in addition, sent several U. S. money orders as advance remittances to himself in care of his brother-in-law in U. S.

Two others were convicted of obtaining funds for travel and then forwarding them by mail to other Canadians in U. S. and two men were convicted of obtaining U. S. funds for business travel and using them for pleasure trips.

Ingenuity That Failed

Considerable ingenuity was shown by would-be smugglers.

Women pinned money to their corsets, hid it in the heels of their shoes, underneath the linings of their handbags and among their cosmetics.

Men were no less ingenious.

Here are some typical cases:

An Oakville, Ont., man told customs officials at Fort Erie he was carrying "eight or nine dollars" in Canadian funds as he was about to cross the border for a visit in U. S. But in an envelope said to contain papers customs men found $96 in U. S. funds and $20 in Canadian. A further $33 Canadian was found in his pocket. He was fined a total of $75.

A woman from St. Catharines, Ont., declared $25 in Canadian currency. A search uncovered $226 in Canadian currency in her purse. Fined $125.

A Toronto man seemingly banked on customs officers having a short memory. Traveling to New York one night he declared $250 in Dominion of Canada Bonds and 67 shares of a Canadian common stock. Unwilling to surrender the bonds and stocks he left the train at Welland to turn them over to a relative. Later the same evening he boarded the second section of the train and declared he was carrying only $10 Canadian. The $250 in bonds, the 67 shares were found hidden in cigarette packages and in his shoes. He was fined $100.

A man from Kapuskasing, en route to Poland, declared $438 in Canadian currency at Niagara Falls; 46 $100 Canadian bills were found in his sock. Fined $500.

A Chinese from Seattle, Wash., returning to Seattle after a visit to Victoria, declared $85 U. S. and $166 Canadian. Hidden in his clothing was another $10,152 in U. S. Fined $525.

Two Toronto men obtained U. S. funds for business travel. Both got married shortly after and both took their brides along with them. As the business travel funds were issued on condition that they would be traveling alone, each man was fined $50.

One Toronto man presented a Form H to customs in Fort Erie and passed through without question. While customs men were questioning other passengers, however, they noticed the man take an envelope from a pocket and put it in his suitcase. In the baggage they found the envelope under some shirts. In it was $359 U. S. Fined $200.

A Vancouver man found the business of buying a race horse particularly expensive. In November, 1946, he was given a permit to purchase $3,500 U. S. to go to U. S. to buy a race horse on condition that all U. S. dollars not so used would be resold to a bank in Canada. Months went by; no horse was brought in. The months rolled into years. Finally in Vancouver in Sept., 1949, the authorities caught up with him. He said that he had been unable to locate a suitable horse in U. S. so had used all his American dollars for expenses and pleasure. Fined $300.

A Toronto woman operating a tourist home had her American visitors pay by cheque. She held the cheques until she went to U. S. on a pleasure trip. In Florida she opened a bank account with the cheques, totaling $1,037. Fined $300.

A Toronto man crossed by car, sold the car in U. S. for $1,100 which he spent in gambling in Florida. Fined $200.

Another Toronto man was apparently much more successful at the gaming tables. He was given $1,500 U.S. for a five-week business trip to New York and Miami Beach on condition that he would travel alone, but his wife joined him in New York a few weeks later. The couple traveled together to Miami Beach, stayed there for six weeks. Their hotel bills amounted to over $2,100 which the man claimed to have been able to pay as a result of winnings at gambling. Fined $750.

Hamilton Bridge Buys Control Rheem Canada Ltd.

Hamilton Bridge Co. has purchased a controlling interest (70% of the outstanding common stock) in Rheem Canada Ltd., Hamilton. Rheem Canada was organized in 1947 by its former parent company Rheem Manufacturing Co. (U. S.), for the manufacture and sale of steel drums for the storage and distribution of petroleum products, chemicals, paints, foods, etc.

No changes are contemplated in management personnel or policies of Rheem Canada Ltd.

INTERNATIONAL NICKEL CO. OF CANADA's registrars have informed the Montreal Stock Exchange that there were 149,919 preferred shares, par $100, and 2,527,185 preferred shares, par $5 outstanding as of March 6, 1950.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

BARBER-ELLIS OF CANADA LTD. reports net profit of $268,333 for 1949, 16.9% higher than the 1948 net of $229,571.

Working capital increased from $962,345 to $1,185,704.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings*	$452,639	$410,727
Less: Bond int.	16,206	16,806
Inc. taxes	168,100	164,350
Net profit	268,333	229,571
Less: Pref. divds.	4,200	4,200
Com. divds.	77,000	66,000
Surplus for year	187,133	159,371
*After depr. of	77,183	56,718
Times Bond Int. Earned	27.93	24.44
Earnings per Share and Dividend Record:		
Preferred	$223.61	$191.31
Paid	3.50	3.50
Common	6.00	5.12
Paid	1.25+0.50	1.00+0.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. bds.	$212,311	$111,816
Accts. rec.	603,506	540,679
Invests.	81,649	75,338
Inventories	714,540	677,489
Total curr. assets	1,612,006	1,405,322
Prep. exp ‡	41,851	36,582
Misc. assets▲	157,984	197,051
Fixed assets	1,637,489	1,602,421
Total assets	3,449,330	3,241,376
Accts. & tax. pay.	416,099	432,474
Bond interest	8,103	8,403
Pref. divd. pay.	2,100	2,100
Total cur. liab.	426,302	442,977
Funded debt	270,100	280,100
Deprec.	1,107,632	1,041,040
Other res.	207,865	210,485
Capital stock	500,000	500,000
Surplus	937,431	766,774
▲Incl. ref. EPT	43,914	79,249
‡Incl. in curr. assets in co's report.		
Working capital	1,185,704	962,345

CANADIAN WESTERN LUMBER CO. consolidated net profit of $5,028,466 for 1949 was down 33.2% from $7,530,880 in 1948. Cause was lower prices from spring to early fall, offsetting increased output. Although dollar shortages cut exports to the sterling area, the resulting surplus of plywood has, with the aid of lower prices, been absorbed in Canada, while lumber and shingles exports to the U. S. helped offset loss of other markets for these products.

Seaboard Lumber Sales Co. and Seaboard Shipping Co., in which the company has substantial interests, made satisfactory contributions to earnings, stated H. J. Macklin, president.

Plan for modernizing the manufacturing plants at Fraser Mills was practically completed. Estimates are that, at least for the first half of 1950, demand for forest products for housing, etc. will exceed productive capacity in B. C.

The company has an arrangement which permits of securing large stands of timber adjacent to its present holdings. Some of this is now being surveyed and some acquisitions are expected in 1950.

CONS. INCOME & SURPLUS ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$5,019,034	$7,509,906
Add: Invest. res.	9,432	20,974
Total net earnings	5,028,466	7,530,880
Less: Depl.	460,667	442,770
Depr., bldgs., & equip.	702,483	481,129
1st mtge. bd. int.	165,833	175,833
Taxes	1,290,000	2,420,000
Net profit	2,409,483	4,014,148
Less: Divds.	1,229,200	1,229,200
Surplus for year	1,180,283	2,781,948
Times 1st Mtge. Int. Earned:		
Before depr. & depl.	30.32	42.83
After depr. & depl.	23.31	37.58
Earnings per Share:		
Common	$0.78	$1.31
Paid	0.40*	0.40*
*Payable in following year.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$2,824,887	$4,376,514
Accts. rec.	1,438,982	923,471
Inventories	5,562,683	5,681,220
Total curr. assets	9,826,552	10,981,205
Investments	137,659	122,307
Misc. assets▲	809,474	853,869
Fixed assets	15,988,573	14,320,882
Total assets	26,762,258	26,278,263
Serial bds. pay.	400,000	400,000
Bd. int. accrued	66,667	70,833
Accts. pay.	1,012,423	1,012,733
Taxes pay.	854,813	1,385,494
Dividends pay.	1,229,200	1,229,200
Total curr. liab.	3,563,103	4,098,260
Funded debt	4,000,000	4,400,000
Deprec., etc., res.	5,918,451	5,999,134
Gen. & cont. res.	1,858,769	1,859,324
Capital stock	3,073,000	3,073,000
Earned surplus	8,348,935	6,848,545
▲Incl. ref. EPT	55,305	197,601
Working capital	6,263,449	6,882,945

MINNESOTA & ONTARIO PAPER CO. consolidated net profit for 1949 was $3,409,702, down 42.8% from 1948's $5,965,740. Although newsprint sold was higher, total sales dropped from $52,559,070 to $43,909,299. Production interruptions due to capital installations, introduction of new and lighter weight paper grades and inventory adjustments, which weakened the market for groundwood specialties, caused lower levels for other paper products and pulp. Wallboard sales fell due to reduced construction in the first half of the year, stiffer competition and inventory adjustments.

President D. D. Davis states that the capital expenditures program has been substantially completed, at a cost of about $17 million. For 1950, expenditures approximating the depreciation charge, $2,600,000 are estimated. During the year, one of the hydro-electric power plants on the Seine River was sold to Ontario Hydro-Electric for $1,956,000.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
	$	$
Net sales	43,909,299	52,559,070
Net earnings▲	5,589,246	10,106,762
Less: Bond int.	75,944	77,622
Conting. res.	......	200,000
Income taxes	2,103,600	3,863,400
Net profit	3,409,702	5,965,740
Less: Divds	2,088,564	2,579,988
Surplus for year	1,321,138	3,385,752
▲After depr. & depl.	2,422,014	1,983,360
Times All Interest Earned:		
Before depr. & depl.	105.49	155.76
After depr. & depl.	73.60	130.20
Earnings per Share and Dividend Record:		
Common	$2.65	†$4.64
Paid*	1.62½	2.00

*U. S funds.

†After conting. reserve; before, earned $4.80 in 1948.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & invest.	$6,037,411	$3,559,754
Accts. rec.	3,600,947	3,412,051
Misc. curr. assets	248,824	192,705
Inventories	8,817,385	12,228,464
Total curr. assets	18,704,567	19,392,974
Misc. assets	967,154	878,552
Fixed assets*	37,476,158	37,911,381
Total assets	57,147,819	58,182,907
Accts. pay.	2,223,013	2,358,044
Taxes pay.	2,623,271	4,724,333
Other curr. liab.	1,163,527	1,336,138
Total curr. liab.	6,009,811	8,418,515
Funded debt	2,368,200	2,526,150
Conting. res.	1,400,000	1,400,000
Capital stock	6,427,375	6,424,650
Paid-in surplus	21,616,170	21,627,324
Earned surplus	19,326,323	17,786,268
*After depr. & depl.	18,503,994	17,879,989
Working capital	12,694,756	10,974,459

ADMIRAL BEATTY HOTEL CO. net profit of $16,927 for 1949 is down from the 1948 figure of $22,778. Gross revenue was at a record high, although percentage of occupancy fell from 87.4 to 82.6. President F. P. Starr stated that high operation costs mean that any slight drop in revenue will present serious problems. Estimates are that tourist revenue will be quite heavy and several conventions have been booked that will tax the house capacity. In 1949, the company reduced its 4½% first mortgage serial bonds to $241,840 and its second mortgage bond to $38,000. From the 1949 earnings, $20,000 was to be paid on Mar. 1 and it was hoped the final $18,000 would be paid on Sept. 1.

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The BLUEBIRD is our most delightful spring herald. His blue back and wings and rusty breast make him a beautiful sight. He is becoming rare, due to the loss of nesting sites taken by starlings and English sparrows. He should be protected everywhere.

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The Wawanesa Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets	$11,065,614.13
Surplus	4,033,971.64
Dom. Govt. Deposit	3,774,563.39

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GEO. A. MORROW
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and
The British America Assurance Company
announces
the election of
STANLEY M. WEDD
as a Director of the Companies

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GEO. A. MORROW
Chairman of the Board

NEW SERIES

$20,000,000

British Columbia Electric Company
Limited
(Incorporated under the laws of British Columbia)

FIRST MORTGAGE BONDS, 3½% SERIES "E"

To be dated March 1, 1950 To mature March 1, 1975

Principal and semi-annual interest (March 1 and September 1) payable in lawful money of Canada at the holder's option at any branch in Canada of the Company's bankers. Series "E" Bonds in denominations of $1,000, $500 and $100 registerable as to principal only, and fully registered Bonds in denominations of $1,000 and authorized multiples thereof.

The Series "E" Bonds shall be redeemable at the option of the Company in whole at any time or in part from time to time on thirty days' notice at 100% of the principal amount thereof, together with a premium thereon calculated as follows: if redemption is made on or before February 28, 1955, the premium shall be 2½%; if redemption is made thereafter and on or before February 28, 1960, the premium shall be 2%; if redemption is made thereafter and on or before February 28, 1965 the premium shall be 1½%; if redemption is made thereafter and on or before February 28, 1970, the premium shall be 1%; and if redemption is made thereafter and before maturity the premium shall be ½ of 1%; together in each case with accrued interest to the date fixed for redemption.

As Sinking Fund for the Series "E" Bonds there shall be payable by the Company to the Trustee on March 1 in each year, commencing on March 1, 1951, an amount equal to 1% of the maximum principal amount of the Series "E" Bonds theretofore issued, plus an amount equal to one year's interest on all such Bonds theretofore redeemed through the Sinking Fund. Such Sinking Fund shall be used exclusively for the retirement of the Bonds of Series "E". The Company will have the right to tender Series "E" Bonds in satisfaction in whole or in part of any such sinking fund payment.

Trustee: Montreal Trust Company

In the opinion of Counsel, these Bonds will be a legal investment for funds of Insurance Companies registered under the Canadian and British Insurance Companies Act, 1932.

BUSINESS

The Company, with its subsidiaries, controls the most extensive system of public utility services in Western Canada. The Company generates electrical energy and manufactures and distributes gas. British Columbia Electric Railway Company, Limited distributes electrical energy to the public and operates electric railway, trolley coach and bus systems in Greater Vancouver, Greater Victoria, New Westminster and other important municipalities in British Columbia. The business controlled by the Company has been carried on successfully for the past fifty-two years and has developed into one of the largest producers of hydro-electrical energy in Canada.

We offer, as principals, the First Mortgage Bonds, 3½% Series "E", if, as and when issued and received by us, and subject to prior sale and subject to the approval of all legal matters by Messrs. Douglas, Symes & Brissenden, Vancouver, B.C., on behalf of the Company, and of Messrs. Montgomery, McMichael, Common, Howard, Forsyth & Ker, Montreal, Que., on our behalf, who will rely upon the opinion of the Company's Counsel in respect of the title to the assets of the Company and its subsidiaries and also in respect of all matters of local law in British Columbia.

PRICE: 99 and accrued interest to yield 3.56%

It is expected that Bonds in interim form or trustee's interim certificates will be available for delivery on or about March 30, 1950.

Nesbitt, Thomson & Company Limited
A. E. Ames & Co. Limited
McLeod, Young, Weir & Company Limited
Pemberton & Son Vancouver Limited
Mills, Spence & Co. Limited
René-T. Leclerc Incorporée
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Yorkshire Securities, Limited
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J. C. Mackintosh & Co., Ltd.
Tanner & Co. Limited
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Wood, Gundy & Company Limited
Dominion Securities Corpn. Limited
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What's Gov't Plan on Capital Gains Tax? Accounting, Legal Bodies Seek Ruling

OTTAWA (Staff) — As business awaits the 1950 federal budget due March 28, the critical issue of capital gains taxation is becoming the most-discussed and controversial issue here.

Repeatedly, in public and private, the Government through individual ministers and senior officials, has emphasized that Canada wants no part in capital gains taxes.

The argument goes that Canada is a growing, dynamic nation requiring a great deal of new capital in the years ahead to develop big natural resources and other capital investment. As well, it is argued that Canadian income tax practice follows British rather than U. S. practice. This means that our laws are designed only to tax what's prescribed — namely income. In the U. S., every form of profit is taxed unless specifically exempt.

But what's now being charged in professional representations made to the Government in recent days, is that Canada has in fact achieved capital gains taxation in its present income tax legislation by the backdoor method.

Thus the argument put now to the nation's lawmakers in advance of the budget: either change the law and clarify the traditional policy of no capital gains tax — or else admit the new situation and bring the tax out into the open.

Claim Capital Tax Now

The accusation that Canada has in effect a capital gains tax right now is contained in recommendations put just recently to the Government by the taxation section of the Canadian Bar Association and the Legislation Committee of the Dominion Association of Chartered Accountants.

Among other important recommendations, these two bodies seek repeal or deletion of specific sections of the present income tax act which, it is claimed, do not distinguish between capital and income benefits.

What's contended, it would appear, is that with the virtual disappearance of discretionary power, the law as it now stands taxes anyone who undertakes a business transaction with the "intention" of making a profit and who succeeds in so doing — irrespective of whether the profit is a capital or an income benefit.

Specifically, the Lawyer-Accountant brief starts from the premise that the Income Tax Act (section 4) defines "income from business or property" as: "the profit therefrom for the year" and that nowhere is it expressly stated in the statute that capital gains shall not be taxed.

Says the brief: "The Income Tax operates to tax what is named therein less the permitted deductions without precision as to their nature as between capital and income."

Change Asked

The brief asks first that section 8(1) (c) be deleted from the statute, or, alternatively that it be limited to tax only benefits to the extent that they are income in the hands of the recipient.

This paragraph, it is stated, contains power to tax any benefit or advantage conferred on a shareholder by a corporation. It "does not distinguish between benefits of a capital or benefits of an income nature."

Says the brief:

"It is not limited by any words which state that these benefits shall not only be taxable to the extent that they are included in income. Thus the section can be employed in any fashion, even to tax capital transactions. There is no discretion in this section, no mitigation in the imposition of the tax. It is a charging section apart from the other charging sections of the act, which clearly and openly taxes capital transactions."

Three Methods of Taxation

Another section which the brief seeks repealed or amended is section 125 (2). This is the section providing that where sales, exchanges, declarations of trust or other transactions of any kind result in one person conferring a benefit on a taxpayer, the benefit shall be taxable in one of three methods — it may be included in income, it may be treated as the income of a non-resident, or it may be treated as being a gift.

Says the brief:

"This subsection and indeed section 125 in its entirety, nowhere states what type of benefit shall fall into what category of treatment. The same argument that was raised in connection with section 8 (1) (c) applies with equal force to this subsection. Section 125 (2) is a charging section separate from the rest of the act and does not distinguish between income benefits and capital benefits but contains the power to include them all or any part of them as income or as gifts for purposes of taxation under the acts."

The brief also reiterates the long-time objection of lawyers, accountants and tax experts to section 126 of the present act. It is described as "wholly objectionable" because among other things "it contains the open power to tax capital gains." The brief adds:

"Many instances have arisen where shareholders have sold or have asked a ruling in connection with the sale of shares in corporations which they may or may not control and which have large undistributed income on hand. The administration has informed such applicants that if the sale is consummated a reference to Treasury Board may be made with a view to imposing a tax on profit realized by the seller of the shares. It is believed by the majority of taxpayers of this country that any man is entitled to dispose of capital assets without the uncertainty of attempted taxation. Section 126 is vicious in that it accords the executive the full power to tax capital gains."

Capital Cost Allowance

Other important points covered in the lawyer-accountant brief include criticism of the new income tax regulations on capital cost allowances.

The brief criticizes regulation 1100 (4), because it is contended that "one of the effects of this subsection is to force companies to abandon sound depreciation accounting and to accord to certain transactions treatment which is at variance with generally accepted accounting procedures."

The subsection complained of reads that "where the taxpayer is a corporation, the aggregate of the allowances under subsection (1) and (2) shall not exceed the amount deducted in respect of such allowances in computing the income or profit for the tax year shown on the financial statements presented to the shareholders or members."

It is contended that this subsection forced companies "to make a choice between either violating sound accounting procedures or depriving themselves of the right to allowances which the regulations are designed to give them." It adds:

"Only a company that adopts unsound accounting practices will be in a position to take full advantage of the allowances granted under the regulations."

Examples where the regulations are said to penalize include: mining companies, losses on disposals, repairs and improvements, patents, appraisal writedowns, companies providing for depreciation in their accounts on a basis other than by means of capital cost allowances.

Undistributed Income

The brief criticizes continued use of "administrative discretion" in the operation of section 9 (6).

This is the section which has been much in the news of late because of letters sent to certain Canadian firms informing them that their shareholders are "deemed to have received" a dividend. Under this section, the Minister of National Revenue may notify a corporation that in his opinion the undistributed income of the company exceeds what is reasonably required for the purpose of the business.

Other recommendations urge an amendment to permit the deduction of expenses laid out for the purpose of gaining income from an office or employment (section 5). This is the controversy raised by special amendments which were necessary to create exceptions in the case of railway employees and clergymen.

There is a section on pensions, recommending that pension benefits from non-approved pension plans be taxed on the same basis as annuities and that consideration be given to extending the scope of approved plans to include proprietors and partners.

One recommendation urges removal of the 2% tax on consolidated corporation tax returns.

Eagle Star Group Buys Canadian Head Office

Purchase of the Reford Building, 217 Bay St., Toronto, is announced by J. H. Riddel, president and managing director of the British Northwestern Fire Insurance Co. The British Northwestern is one of the companies in the Eagle Star Insurance Group.

It is intended that the building will be the Canadian head office of the Eagle Star Insurance Co., the British Crown Assurance Corp., and the head office of the British Northwestern Fire Insurance Co., and the Security National Insurance Co. W. H. Bosley & Co. have been appointed building managers. J. H. Riddel is manager for Canada of the Eagle Star group.

Staff Changes

Chartered banks announce the following staff changes:

Nova Scotia:

M. E. CALDER, manager, Vauxhall, Alta.

W. H. HARRIS, manager, Bloor & Spadina, Toronto.

C. M. FRASER, accountant, Queen & River, Toronto.

A. CUERVO, assistant accountant, Cienfuegos, Cuba.

G. E. MARSHALL, assistant accountant, Kingston, Jamaica.

J. R. PARRIS, an assistant accountant, Kingston, Jamaica.

• • •

Dominion:

T. A. EASTON, formerly assistant manager, Winnipeg, to be a supervisor at head office.

C. J. FORREST, formerly an assistant manager, Toronto, to be manager, Cobourg, Ont.

E. M. G. McPHERSON, formerly manager, Cobourg, Ont., to be an assistant manager, Toronto.

• • •

Royal:

J. J. C. EVANS, to be senior assistant manager, Toronto.

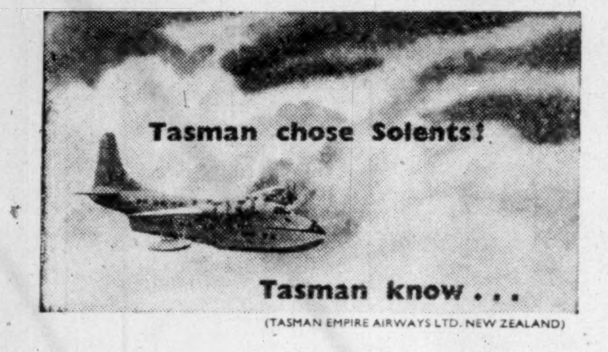
T. T. FENNELL, to be assistant manager, Toronto.

R. R. WILDE, supervisor's department, Vancouver, to be manager, Douglas St., Victoria.

G. E. LOWE, head office, to be assistant manager, London, Ont.

D. WINTON, Perth, Ont., to be accountant, Arnprior, Ont.

J. H. BOYLE, assistant accountant, Camrose, Alta., to be accountant.



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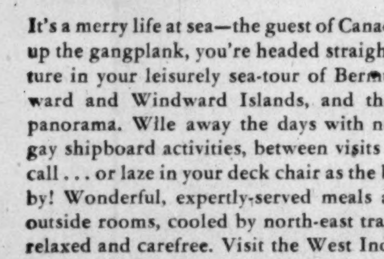

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Is There an End to the Road for Trucks?

Here's Industry View on Question of 'Economic Radius'

Should the trucking industry come under federal control as are the railways? Should trucking be limited in radius of operation? Suggestions along these lines by the Minister of Transport and railway interests were dealt with in an address by John Magee, executive secretary, the Canadian Automotive Transportation Association to the recent convention of the Quebec Automotive Transport Association in Montreal. Here is a digest:

By JOHN MAGEE

Speed, flexibility, convenience and economy—those are the reasons for the economic radius of trucking being what it is today. Those are the reasons for the tremendous increase in truck registrations. In 1922, only 37,600 trucks were in use on city streets and highways. In 1948, no less than 487,000 trucks were serving Canadians. Of those 487,000 trucks, 43,000 vehicles were being operated by commercial truckers in city or highway service.

When the Minister of Transport says that "trucking has gone beyond its economic radius of operation" he is merely repeating what was said by certain interests appearing before the Royal Commission on Transportation.

Every one of these interests expressed to the Commission this viewpoint. These interests, which are in such harmonious accord with the Minister's views, are the Railway Association of Canada, representing practically all steam railways, Canadian National Railways, the Canadian Pacific Railway, the Dominion Joint Legislative Committee of the Railway Transportation Brotherhoods, and the Ship-by-Rail Association of Canada.

These interests have all presented briefs to the Royal Commission on Transportation. What do they ask the Commission to recommend? The answer is that the Railway Association of Canada wants length of haul of all trucking restricted to a radius of from 50 to 100 miles.

They want federal control of interprovincial and international highway traffic. And they have an interesting definition of interprovincial highway traffic. If a trucker in Quebec picked up a shipment, took it to Montreal, and the shipment then went by rail to some other province, the Railway Association says that trucker is engaged in interprovincial transport and is subject to federal control.

For good measure, the Railway Association wants provincial regulatory bodies stripped of autonomous control over trucking by the setting up of a federal appeal tribunal. That federal tribunal would hear appeals by the railways from the decisions of provincial regulatory bodies even though the decisions deal with provincial trucking only.

The railway labor unions, 112,000 strong, have the simplest answer to truck competition. They say: "Take the commercial trucks off every highway that parallels a railway line." That gives an idea of how railway labor thinks it has this country by the throat!

All-out Attack

The need for answering this propaganda was obvious. Until last October the chief parties to the Royal Commission enquiry were the railways and the seven provinces who had opposed the applications for rate increases.

As the enquiry developed it became quite clear that the railways and their powerful unions were gearing themselves for an all-out attack on highway transportation. At the end of August the motor transport industry, through the Canadian Automotive Transportation Association, prepared to enter into the deliberations. A national steering committee was established, legal counsel was retained, and since November the trucking industry has been continuously represented before the enquiry.

The submission made on behalf of the trucking industry was very comprehensive. Among other things it was pointed out that despite the fact that highway transportation is under provincial control, the Federal Government benefits very directly from road users in sales, excise and customs imposts.

For the fiscal year ended March 31, 1949, the Federal Government received approximately $100 millions in taxes on motor vehicles, parts and supplies.

The legal aspects of federal control were considered and it was strongly contended that it would be ultra vires of the Parliament of Canada to regulate interprovincial or international road transport.

Representatives of the provinces of British Columbia, New Brunswick, Alberta and Prince Edward Island informed the Commission that they were unalterably opposed to federal control of highway transportation. The Premier of Quebec has said the same.

Saskatchewan was the only province to indicate it was prepared to consider relinquishing control of its highway transportation services.

Although no recent public pronouncement has been made by the Province of Ontario, it should be remembered that Ontario successfully led opposition to a 1937 Senate Bill having as its objective federal control of interprovincial and international road transport.

Strongly Against Federal Rule

Hon. C. D. Howe, former Minister of Transport, who sponsored the 1937 bill, publicly stated that no system of federal regulation of trucking would be practicable without the support of the industry itself. The trucking industry's policy on regulation has been one of steadfast support of provincial control. We were opposed to federal control of trucking in any form whatever when Mr. Howe was Minister of Transport and today the industry is more strongly opposed than ever to federal control.

Since in the opinion of a former Minister of Transport, federal control of trucking would not work without the support of the industry itself, the reasons for the industry's opposition to federal control would appear to be of some importance in a public discussion of this question.

National and provincial trucking associations in Canada, representing all the organized trucking groups in the country, have opposed federal control with a consistency and unanimity seldom displayed by an industry composed of so many thousands of individual concerns. What are the reasons for this opposition?

In a sentence, the trucking industry is opposed to federal control because it believes that once under federal control, trucking would be severely restricted if not entirely curtailed.

This has actually begun. And the railway interests—management and labor—are in full pursuit of the goal of federal control of trucking.

Here's one example of federal discrimination against highway transport. There are several others, equally destructive.

Until July 26, 1949, Ontario farmers purchasing western feed grain received a freight allowance from the Federal Government. The allowance partially covered the cost of transporting the feed grain by rail or highway transport from bay ports to inland points. However, Federal Order-in-Council Pc. 3803 (July 26, 1949) wiped out the freight allowance if the farmer undertook to have his feed grain brought in by highway transport from the bay ports. The freight allowance to the farmer continued if he had feed grain shipped in by railway.

The movement of feed grain by truck has ceased to those mills which are located at railway points. In the case of mills located at points not served by rail, the grain has to be moved to the mills by truck. The result is that mills not located on rails have either absorbed the loss in subsidy or passed it on to the farmer. There has been a considerable amount of traffic diverted from highway transport to the railways as a result of this discriminatory federal order.

This was an area of jurisdiction in which the Federal Government could promote or destroy highway transport. It has sought to destroy it and, by doing so, to bolster the position of the railways.

Rights of Shippers

The trucking industry believes that the shipper has an inalienable right to patronize the transportation service of his choice and that it is in the public interest that this condition exist.

The Minister of Transport says that trucking has gone beyond its economic radius of operation. How does he know that the Royal Commission will not report that the economic radius of trucking is the end of the road—wherever it is most economical to operate—as in the case of railways, airlines and water transport?

Of what use is the tremendous expenditure of time and money which the trucking industry is putting into the Royal Commission enquiry when the Government, to whom the report will be rendered, has already ruled against our industry?

That the Federal Government should prejudge the rail-truck phase of the Royal Commission's enquiry is a warning to the provincial governments which asked for the enquiry and which have counsel representing them at Ottawa.

If the Federal Government has made up its mind on the trucking issue, what of other issues before the Commission? I am sure that Western and Maritime provincial counsel will be wondering now what preconceived thoughts the Federal Government harbors with regard to their governments' views that their provinces, by reason of economic, geographic, and other disadvantages, are adversely affected by transportation difficulties.

Certainly the trucking industry would like to know more about the transportation policy of the Federal Government. All that we have learned to date has been unpleasant but we might as well get the whole truth. It would clear the air and permit a more detailed discussion of the problems of transportation which are of such importance to the Canadian people.

The best way to do it is to have the Minister of Transport appear before the Royal Commission and present in greater detail the Federal Government's preconceived views on highway transport.

COMPANY REPORTS

AMERICAN CYANAMID CO. net profit of $16,149,513 for 1949 was 35.9% higher than the 1948 net of $11,875,090. Sales were at a record high of $237,730,655 against $231,992,219 in 1948.

Current assets and liabilities of foreign subsidiaries, chiefly Canadian, are included in the consolidated balance sheet at official or other applicable exchange rates at Dec. 31, 1949 and amounted to $10,001,318 and $2,640,205 respectively. Fixed assets of these subsidiaries are included at rates prevailing at time of acquisition and stood at $5,303,339 with depreciation deducted.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Net sales	237,730,655	231,992,219
Net earnings	48,365,780	38,348,650
Less: Depr. & depl.	10,795,551	8,642,021
Devel. exp.	10,333,164	10,481,591
Int. charges	1,487,552	1,449,948
Inc. tax res.	9,600,000	5,900,000
Net profit	16,149,513	11,875,090
Less: Pref. divd.	1,362,599	1,368,528
Com. divds.	6,182,966	4,443,738
Surplus for year	8,604,148	6,057,824
Times Fixed Charges Earned:		
Bef. depr., etc.	25.57	19.22
Aft. depr., etc.	18.31	13.26
Earnings per Share and Dividend Record:		
Preferred	$43.86	$30.37
Paid	3.50	3.50
Common	5.28	3.84
Paid	1.62½+0.62½	1.12½+0.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & mkt. sec.	$43,564,859	$31,883,112
Accts. rec.	22,853,756	22,025,606
Inventories	46,010,227	48,895,104
Total curr. assets	112,428,842	102,803,822
Inv. in assoc. cos.	11,113,989	11,013,989
Misc. assets▲	6,668,109	5,670,780
Prop. & patents*	93,903,767	92,547,612
Total assets	224,114,707	212,036,293
Due bank	762,217	539,379
Accts. & tax. pay.	34,815,086	30,568,815
Divds. pay.	3,439,073	2,737,606
Accr bond int.	261,777	269,351
Total curr. liab.	39,278,153	34,115,151
Empl. stk. subscr.	1,558,440	......
Funded debt	57,561,464	61,118,228
Reserves, etc.	1,285,097	1,275,594
Capital stock	64,808,942	66,477,660
Capital surplus	13,638,571	11,639,663
Earned surplus	45,984,040	37,379,892
▲Incl. ref. EPT	495,780	787,051
*After depr. of	82,940,334	76,691,542
Working capital	73,150,689	68,688,671

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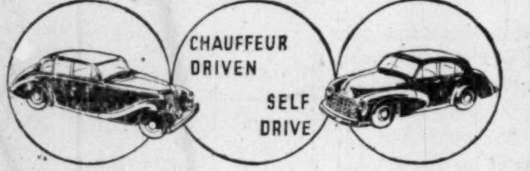

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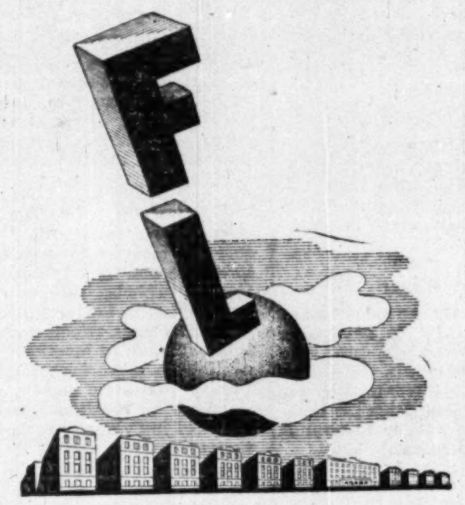

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What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Glass Cooks Food

New glass gives off heat when electric current fed in. Panel heater made of glass keeps baby chicks warm in brooders, dries textile yarns, lacquer, etc. Coffee percolator in development stage.

* * *

Knee-Action Golf Aid

Automatic "Tri-Par" golf bag works by "knee action," cuts fatigue for golfers without caddies. Legs fall instantly into place when bag is removed from shoulder; when bag is lifted from ground, legs retract. Mechanism weighs less than one golf club, U. S. maker says. In various models.

* * *

Fools Fish

Fish can't see new color-camouflaged fishing line, asserts New York manufacturer. Claims it's advantage in catching fish.

* * *

Ends Leaky Taps

Special swivel-action washer for faucets said to have long life. For household use, also tested in hospitals, laundries, etc. "Snap-In" washer swivels freely each time faucet is turned on, so no friction to wear it out, Chicago company says.

* * *

Painter's Bicycle

New bosun's chair for painting stacks, working on high walls, etc., is bicycle saddle moved up and down by bicycle pedals. On rigid steel cage, moves by winch with power from pedals to winch drum by roller chain on sprocket wheels, in ratio requiring minimum effort, says Milwaukee maker. Leaves hands free for work, moves 25 ft. min. under complete control, has special brake, positive-acting pawl, ratchet, automatic stop for safety, states firm. Rated capacity 625 lb. Weighs 75 lb., handled by one man.

* * *

Portable Addresser

New "Miniature Master Unit" portable addresser carries about 250 addresses on master spirit roll. One smooth motion prints addresses on card; each address, typed or handwritten, on master, good for about 100 impressions, says maker. Fits in one hand, loads like camera. To sell for about $10 in U. S. Recommended for salesmen, jobbers, manufacturers, clubs, etc.

* * *

Low-Cost Duplicator

New 2¼ lb. duplicator fits in briefcase; operating wherever electrical outlet, say New Jersey makers, "Copy-Roll" makes photo-exact copies written, typed, drawn, photographed, printed subjects at low initial cost. Sizes from 8½ in. x 11 in. to table model 30 in. x 42 in. Said easy to operate. Recommended by maker for surveyors, lawyers, engineers, businessmen, etc.

* * *

New Lighting "Sweep"

New fluorescent lighting fixtures fit together in sections so look like one long sweep. For stores, schools, offices, are equipped with louver shielding, decorative ends, panels on sides. Without bands at junctions, give continuous louvering effect. In two- or four-lamp models, with standard or instant starting, mounted individually or in continuous rows on ceiling or suspended.

* * *

Bus Warmer

Up to 20 buses can be stored outdoors overnight in cold weather without water in engines freezing, by use of one specially developed steam generator; using one to two gal. fuel oil hr., one generator makes 500 lb. steam, sends steam to special fittings for bus motors, keeps water in engines warm, says U. S. firm.

* * *

Arctic Rubber

New B. F. Goodrich rubberized fabric developed, produced in U. S. said to give service in temperatures of more than 85 deg. below zero.

* * *

Save Cooling Water

Substantial saving of water in air conditioning through new "induced draft" type cooling claimed by U. S. firm. In 3, 5, 7½, 10 ton capacities, towers are said compact, featuring sectional design for easy partial dismantling in installation, have outside flange-type bearings for servicing, can be driven by separate direct-drive pump motors.

* * *

Peps Up Oil

South Carolina firm claims "friction proof" lubricating additive. Says will prolong life, increase efficiency diesel, gasoline, electric motors, engines, pistons, gears, cutting tools, bearings, etc. To increase lubricity, performance of oil and grease to which it's added, said to withstand terrific pressures that might otherwise "freeze" all moving parts. Said also detergent, rust-proofing.

* * *

Rubber Flows

Commercially-made flowable 100% rubber by New Jersey maker said to adapt to adhesive formulations, conductive rubbers, plasticizing for crude rubber and synthetics, rubberizing resins, etc. Low viscosity, doesn't require solvents, firm says.

* * *

Litter Picker-Up

Special advantages claimed for new mechanical litter picker-up and accompanying hold-open bag. Multi-pronged aluminum head on end of plastic handle is operated by thrust on handle, picks up cigarettes, matches, paper, debris in plant, etc. Eliminates infection danger to operator from nail-on-stick approach, does clean job, says New Jersey firm. Cleaning stripper locks into safety position between uses. Bag of mildew-, water-proof duck hangs by adjustable parachute harness; picker heads cheaply replaced, maker says.

* * *

Tabulates Complex Data

New Underwood adding tabulator in U. S. is actuated automatically or manually, prints in vertical or horizontal sequence. Carriage and automatic controlling device tabulate and return in unison or independently. Recommended for railroad interline waybilling, special bank, operations, government and insurance offices, etc.

Nat. Sewer Pipe Committee Seeks Fund For Expenses

The Protective Committee for Holders of Class A shares of National Sewer Pipe Co. have sent a letter to Class A shareholders enclosing a brief summary of services rendered from Feb. 9, 1949, to March 9, 1950 and outlining the objectives of the committee.

"The committee proposes in all possible ways to press towards the accomplishment of its remaining objectives. As it has repeatedly emphasized to Mr. New it is prepared to co-operate in working out a plan of compromise or arrangement and is willing to discuss the matter with any suitable independent financial experts suggested by him," Chairman Edward Coleman states.

The committee requests each holder of Class A shares to contribute towards its expenses the sum of 60c for each share held. It will report to contributors on the disposition of all contributions received. Funds are needed to cover expenses which have already been incurred and which will be incurred by it, Mr. Coleman states.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DOVER INDUSTRIES LTD. net profit of $160,947 for the year ended Sept. 30, 1949, was 47% lower than the previous year's $303,846.

Working capital increased from $1,072,041 to $1,203,725.

CONSOLIDATED INCOME ACCOUNT

Years Ended Sept. 30:	1949	1948
Net earnings	$296,687	$531,049
Less: Deprec.	35,152	31,699
Inc. tax res.	105,340	199,052
Add: Invest. sale prof.	4,752	3,548
Net profit	160,947	303,846
Less: Com. divds.	85,690	85,690
Surplus for year	75,257	218,156
Earnings per Share and Dividend Record:		
Common	$1.13	$2.13
Paid	0.60	0.60

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1949	1948
Cash	$496,445	$534,677
Accts. rec.	177,749	196,384
Investments♦	51,162	51,633
Inventories	637,386	578,550
Total curr. assets	1,362,742	1,361,244
Misc. assets▲	49,399	97,528
Goodwill	137,082	137,082
Fixed assets*	353,406	355,325
Total assets	1,902,629	1,951,179
Total curr. liab.	159,017	289,203
Capital stock	1,000,000	1,000,000
Earned surplus	743,612	661,976
*After depr. of	620,637	594,063
▲Incl. ref. EPT	27,871	71,313
♦Market value	61,550	59,550
Working capital	1,203,725	1,072,041

BOWATER'S NEWFOUNDLAND PULP & PAPER MILLS LTD. reports consolidated net profit of $3,086,131 for the year ended Sept. 30, 1949, down 14.7% from the previous year's $3,617,595.

Except for an accident which materially curtailed the production of the new newsprint machine, newsprint and sulphite mills enjoyed full production. Newsprint produced was up 30% over 1948. However, production and delivery costs of newsprint increased and substantial shrinkage and deterioration in world sulphite pulp markets reduced anticipated profits in that division.

Cuts in foreign newsprint purchases due to dollar shortages, states Secretary D. W. Timms, will result in practically the entire loss of those markets, including the market for export sulphite pulp. These represent a relatively small proportion of the company's products. A substantial part of the newsprint displaced has been taken up in the U. S. but the export sulphite mills have had to be closed.

CONSOLIDATED INCOME ACCOUNT

Years Ended Sept. 30:	1949	1948
Net revenue	$5,269,576	$5,504,896
Less: Depr. & depl.	1,294,705	973,748
1st mtge. bd. int.	503,313	496,422
Debent. int.	335,427	417,131
Net profit	3,086,131	3,617,595
Less: Pref. divds.	454,500	321,517
Com. divds.	616,000	808,000
Surplus for year	2,015,631	2,488,078
Times Fixed Charges Earned:		
Before depr. & depl.	5.93	6.03
After depr. & depl.	4.47	4.96
Earnings per Share and Dividend Record:		
Pref.: Earned	$1.23	$1.45
Paid	4½%	4½%
Com.: Earned	$1.05	$1.32
Paid	8%	8%

Note: Com. stock divds. totaling $2,020,000 or 500,000 shs. were paid in 1948 (1 sh. for each 4 shs. held), and charged to surplus.

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1949	1948
Cash	$82,956	$151,567
Sterling deposits	951,212	3,045,963
Accts. rec.	5,709,738	5,696,827
Def. oper. chgs.	237,720	317,488
Inventories	16,814,978	17,081,505
Total curr. assets	23,796,604	26,293,350
Investments	1,207,434	1,018,901
Sink. funds	16,742	201,687
Fixed assets	61,007,106	59,488,128
Total assets	86,027,886	87,002,066
Bank loan	4,792,914	7,296,044
Accts., etc., pay.	4,408,130	5,094,804
Total curr. liab.	9,201,044	12,390,848
Funded debt	24,245,880	26,965,656
Deprec.	12,631,713	11,764,752
Other res.	7,111,301	4,544,891
Other liabs.	3,617,716	4,131,318
Capital stock	22,630,000	22,630,000
Surplus	6,590,232	4,574,601
Working capital	14,595,560	13,902,502

ROLLAND PAPER CO. net profit of $19,409 for 1949 compares with 1948 loss of $162,874. Volume of sales was maintained, in spite of lack of export business and the strike in the lithographing trades late in the year, by increases in domestic sales of well established lines. President J. Pierre Rolland stated that improvement in earnings was obtained through economies and more efficient operations.

Capital expenditures amounted to $94,650. Bank loans were eliminated and $75,000 first mortgage bonds pand off.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$403,213	$95,819
Less: Deprec.	304,636	304,526
Bond interest	61,468	63,297
Taxes res.	17,700	■109,130
Net profit	19,409	*162,874
Less: Pref. div.	72,250	54,188
Common div.	......	18,000
Deficit for year	52,841	235,062

*Loss.

■Credit from carry back of 1948 loss to 1947.

Times Bond Interest Earned:	1949	1948
Before deprec.	6.56	1.51
After deprec.	1.60	nil
Earnings per Share and Dividend Record:		
Preferred	$1.14	♦d$9.58
Paid	4.25	3.18¾
Common	d0.88	♦d3.92
Paid	....	0.20

♦If based on net loss before tax credit, deficit per sh. would be $16 on the pref., $5.74 on the common.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$36,322	$13,142
Accts. rec.	887,159	668,261
Inventories	892,424	978,080
Total curr. assets	1,815,905	1,659,483
Misc. assets	311,992	446,493
Fixed assets	6,340,693	6,279,302
Trademarks	500,000	500,000
Total assets	8,968,590	8,885,278
Bank overdraft	......	124,042
Accts., etc., pay.	844,332	789,337
Taxes pay.	25,928	13,934
Total curr. liab.	870,260	927,313
Funded debt	1,600,000	1,675,000
Deprec. res.	3,368,607	3,081,069
Capital stock	3,000,032	3,000,032
Earned surplus	129,691	201,864
Working capital	945,645	732,170

NORTHLAND MINES (1940) March 1 installment of 100,000 shares at 17½c a share and each subsequent installment under agreement with Clair Agency, have been extended for 60 days.

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The field covered is immense. The collaborating exhibitors can supply the requirements of the largest mass-production units or the simple needs of the village blacksmith, plant for the most complex industrial undertakings, instruments for the most delicate surgical operation, scientific means of measuring to the finest limits yet achieved. All these you will be able to study at first hand.

Over 250 machines will be powered and in action—actually "doing the job". The exhibitors' leading technicians, alive to every aspect and application of modern tool and instrument technology, will be available to give you the benefit of their experience.

This great exhibit is designed particularly for the Canadian planning and production engineer—the man with projects for re-tooling his plant, replacing machinery or setting up a new factory. Here he can see, as it were, a living catalogue of the help he can get from British equipment, check for himself its variety, dependability, high productivity and accuracy—for which it is world-famed.

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FEDERATION OF BRITISH HAND TOOL MANUFACTURERS
NATIONAL FEDERATION OF ENGINEERS' TOOL MANUFACTURERS
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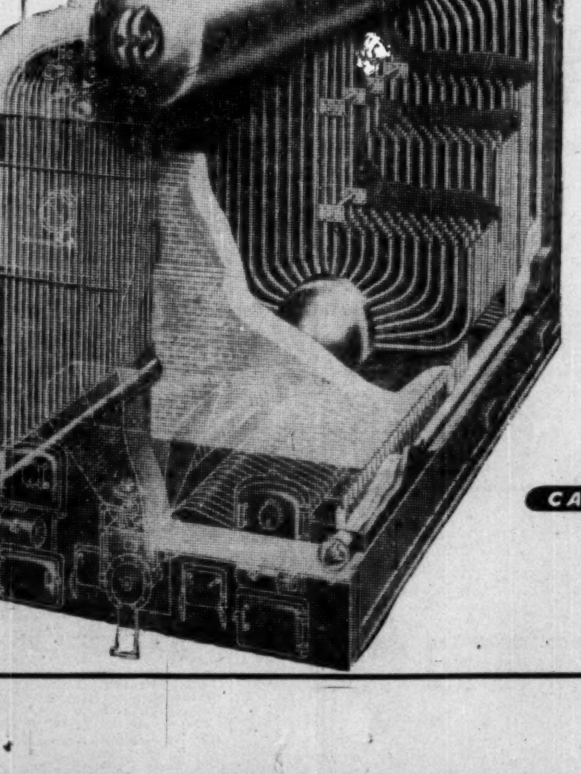

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B. C. Sees Era of Mighty Growth Just Ahead

Gains of Last 10 Years Just a Beginning As Secondary Industries Continue Boom

By CLIVE CHATTOE

In British Columbia today there's highhearted assurance about the business outlook for 1950. And very few serious doubts about the decade ahead. They say they're just getting started, that they'll make Canadian history in the second half-century, that their gain of over 40% in population in the last 10 years—easily a record among Canadian provinces—is just a beginning.

Mostly it's the good food of fact and accomplishment—and not idle hope—on which B. C.'s plans for development are being nurtured.

When 1.1 million British Columbians discuss what's ahead they can draw plenty of confidence from the record of what they have already done with their dreams and skill in steel, concrete and husbandry. Look at the record:

Forestry: Production gross value last year at close to $360 millions was up 454% over that of 1921. Canada's parallel gain in forestry production was only 102%.

Manufacturing: The production rise here in the same period was 579% to about $960 millions gross last year, while the nation's gain amounted to only 305%.

Agriculture: 143% production gain over the 30 years to $145 millions in 1949, while the rise for all Canada is 54%.

Overseas Outlook Mixed

Despite confident assertions made to The Post by farm and fishery industry leaders, those two important segments of primary industry are disturbed by impact of dollar shortage in the sterling area.

Sales abroad and unit prices of salmon, apples, eggs, have declined sharply. In the case of apples, overseas sales have all but evaporated. And the outlook for resumption of volume trading with Britain and other sterling countries is considered dim.

Fish industry management doesn't admit the situation is yet serious. "We hope to sell our current production without too much difficulty," the president of one of the biggest concerns said. He reported progress in persuading Canadians and Americans to eat more canned salmon, result of an advertising program to win back customers "lost" through short catches, suspension of advertising with depression prices and then disappearance of the product when the entire pack was shipped abroad during the war.

The recent order negotiated by London and Ottawa whereby 400,000 cases of salmon are to be shipped this year to Britain against ECA dollars has provided welcome relief from a tight situation and a breathing spell for aggressive merchandising to find new markets at home and in the dollar trading areas.

And, like the apple industry with its new overlay of dehydration, juice, cider, etc., the fish industry is expanding into or scouting new products and processes to help take up the slack. Fish oils are newer processed products, with dogfish and shark added to cod and halibut. Tuna is another hopeful novelty in the B. C. picture, adding materially to the year's take. And renewed interest in whaling promises another profitable field of operation.

In all, then, there is little gloom anywhere in the province to offset the characteristic optimism of British Columbians.

Here are some of the current big-scale developments, some of the blueprints and "reasonable hopes" backing a general hum and eagerness that pervade that region's homes, shops and offices, and some of the dreams that for the first time are bringing the west coast province into true geographic perspective in all its reaches from Fort Nelson to Quatsino, from Fernie to Atlin:

Secondary Industry Leaps Ahead

Perhaps the most important immediate change is emergence of secondary industry to round out the province's long-lopsided basic economy.

In 1920, British Columbia counted 1,305 plants. Now the figure is about 3,200. Employment in manufacturing, which was 34,000 in 1920, now is nearer 90,000, with a factory payroll about $183 millions a year against under $50 millions in 1920. Gross value of manufacturing production was up to $960 millions from $230 millions, placing B. C. third in manufacturing among the Canadian provinces.

But it is in kinds of industry developed that the significance lies, rather than in mere numbers or volume of employment and production. Before the 1930's the preponderance of new industrial enterprises started year by year were directly tributary to primary industry—sawmills and planing mills, for example, or pulp and paper plants, fish canneries, apple packing or storage plants, box-making factories and the like. Secondary industry in the true sense had yet to emerge. Now it has emerged.

It would be exaggeration to say B. C.'s industrial economy is maturing all at once. But the rounding-out process clearly is begun. Equally clearly it is continuing and with apparently substantial promise of liberating the province from its former outright dependence on lumber, fish and fruit, and from its former almost outright reliance on selling beyond its borders.

An important, though lesser, part of the $100 millions that private capital currently is investing in B. C. industrial enterprise is going into general manufactures, metalworking and machinery, textiles, chemicals, food processing other than fish and fruit, smallwares, clothing, scores of items.

$700 Millions Power Expansion

More than 9% of the nation's hydro-electric output is being generated today in the west coast province where production recently topped one million horsepower from 78 plants.

Even more significant is that known and accessible potential represents more than one quarter of the national total. Between 6 and 10 million latent horsepower gushes in broad streams and lofty falls—the lower-cost industrial power of tomorrow. It is in many cases almost miraculously placed geographically—distributed regionally at points where major industries and new communities could rise on the heels of the power construction crews.

Projected power expansion runs close to $700 millions, according to H. L. Purdy of B. C. Electric Co.

Since the last war, power use has spurted. It rose from under 2 billion kilowatt hours in 1938 to 2¾ billion in 1945. Then, in postwar expansion it spurted to well over 3.5 billion kilowatt hours.

The industry in B.C., private and public agencies together, brought more than 126,000 new horsepower into production

B.C. Electric Co., alone is spending $17 millions on electric service expansion this year. The provincial government agency, B.C. Power Commission also is continuing a multi-million dollar construction program.

Major factors in B.C.'s big rise electrically: mushrooming population; emergence of secondary industries of substantial numbers and individual size; diversification and growth of primary industries and their satellite operations; rural electrification; almost general community expansion, housing and commercial construction.

Forest Empire Grows

Industrial pulp is being added to paper pulp in huge volume through current and projected plant construction on the West Coast. Plywood, laminated timber, wallboard, synthetics and chemicals have been added almost overnight to the B.C. forest economy. Its forests no longer are synonymous merely with lumber.

True, lumber sales for many years ahead will account for the greater share of the province's forest industry income. But the emphasis in current development is on wood and pulp processing for higher woods values and for more jobs at home.

Three huge new pulp mills costing an estimated $82 millions represent the biggest bet on the outcome of the new forest industry development trend. Bloedel, Stewart & Welch opened at Port Alberni in 1948. MacMillan's Nanaimo Sulphate Pulp is to begin production this summer in a plant nearing completion at Nanaimo. Columbia Cellulose (Celanese of America) will complete next year its huge plant near Prince Rupert. The two first-mentioned will utilize waste ends from their lumbering operations, vivid demonstration of the double role played by the new pattern of integrated forest operation.

Neither the pulp-paper nor lumber industries are in panic over the sterling area's "dollar crisis." It's true they are trying with all their technical resource and salesmanship to win back at least part of losses in that quarter. But both are doing well in hard currency markets. Over-all net sales and operations this year will be little below the 1949 scale according to present indications.

Meanwhile pulp, paper and plywood activities are but the first of many new chemical and physical processes making their appearance as a contribution to better utilization of all the trees now being cut. Treetops, sawdust and bark today are going into useful products.

Oil, Gas Search Extends

Oil companies, as they extend their search for more and more Western fields, already are across the Rockies and onto the Pacific Coast. One company (Royalite) recently abandoned an unsuccessful drilling test on the northern tip of the Queen Charlotte Islands. But it promptly announced surveys in that area were to be continued and might be expanded.

Tempo of oil-gas planning has risen generally in B.C. There will be much more drilling this year than last, says Premier Byron Johnson. Right now there are 30 operators applying for or holding 6.9 million acres of petroleum and natural gas rights in the Peace River area under permit, license and lease. Eight wells have been drilled for gas in the Peace River B.C. wedge. Two other deep-drilling tests are being made. There were two small drilling operations on the lower mainland and some other work was done on two other wells in the Flathead district. Just last week British American Oil, Hudson's Bay Oil & Gas and Union Oil of California applied for 768,000 acres.

Many in the province—including some geologists and business leaders outside the oil sphere—think "it won't be long now." Others say "it may take a while," meaning years. Few doubt the stuff is there, that sooner or later it will play a big part in the province's industrial and northern development. Some speak of B.C. oil as promising development of a major coast chemicals industry.

Interest centres as well on Alberta fields and prospects, including the vast tar sands now being tested for possible processing.

Aluminum, PGE Key Projects

British Columbians have so many development projects to be excited about that it's sometimes hard to tell which they consider most significant for future growth.

Two, however, hold the forefront in public discussion: aluminum; and railway-highway extension toward northern oil, wheat and range lands of the Cariboo and Peace areas.

Inlanders and highlanders are the more transport-minded. They and the people of Quesnel, former northern terminus of the province-owned Pacific Great Eastern Railway will talk PGE and Hart Highway extensions at drop of a hat, as representing a "break" for the B.C. North potentially of much greater import than the Alaska Highway.

Construction of the rail link from Quesnel north to Prince George is under way. A southern extension from Squamish tying to Vancouver, now being considered, would boost payloads substantially, might even hasten construction by United States of the long-talked rail line to Alaska. Prince George is already on the CNR Prince Rupert line. Expected 1951 completion of the $15 million Hart Highway will connect Seattle and Vancouver via Prince George with Edmonton and Alaska. Work is being resumed this spring on the final 24 miles of the road.

But it is the aluminum project that Vancouver and Victoria, Nanaimo and Prince Rupert are watching with alert interest in the long-term view. Aluminum of Canada currently is spending $1 million in engineering studies. Power location being studied is on the Nechako River, 100 miles south of Rupert.

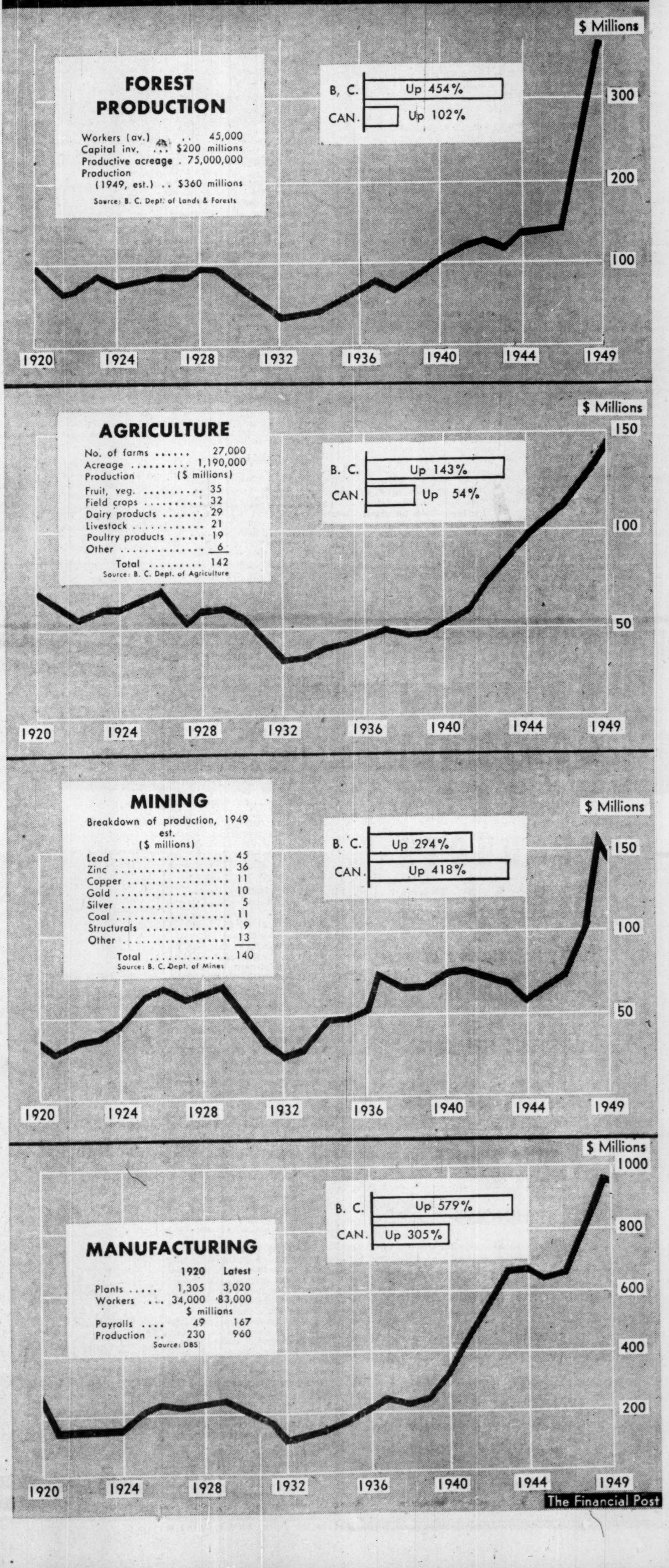
The whole project—power plant, aluminum plant and new town—may involve an investment of $500 millions; create an industrial city of 50,000 as a major world centre for the light metal. It may not get under way for some time, but when it does, the impact will be tremendous.

The industrial expansion, resources and transport development already under way or definitely planned mark another huge stride toward trade and defense strength on Canada's long-vulnerable Pacific flank.

As B.C.'s Trade & Industry Minister Leslie H. Eyres says: "The day is gone when British Columbia was known chiefly as a vast storehouse of raw materials. Today it stands third among the provinces in the volume of its manufactures.

"The people and government have given unqualified endorsement to free enterprise. In effect, the people have invited industry to come in and help further develop the already rapidly growing industrial empire of Canada's new Far West."

Here's B. C.'s 30-Year Record of Growth



B. C. Lumber Industry Is Confident on Future

See Demands In Canada, U.S. Major Factor

Who Bought 23 Billion Board Feet B. C. Coast Sawmills Shipped in 12 Years

(millions of board feet)
(Source: B. C. Lumber Manufacturers' Assn.)

	—1938— Vol.	%	—1939— Vol.	%	—1940— Vol.	%	—1911— Vol.	%	—1942— Vol.	%	—1943— Vol.	%
Total	1,871	100	2,104	100	2,161	100	2,091	100	1,949	100	1,600	100
Canada	597	32	621	30	766	35	874	42	924	46	692	43
U. S.	238	13	193	9	208	10	549	26	506	27	172	11
Commonwealth	958	51	1,228	58	1,172	54	627	30	514	27	732	46
Other	78	4	57	3	15	1	41	2	4	—	3	—

	—1944— Vol.	%	—1945— Vol.	%	—1946— Vol.	%	—1947— Vol.	%	—1948— Vol.	%	—1949— (Prelim.) Vol.	%
Total	1,646	100	1,663	100	1,710	100	2,130	100	2,163	100	2,127	100
Canada	708	43	715	43	774	44	818	39	930	43	830	39
U. S.	199	13	204	12	194	11	203	9	495	23	672	32
Commonwealth	738	44	731	44	627	38	963	45	664	31	583	27
Other	1	—	13	1	115	7	146	7	74	3	42	2

West Coast lumbermen are aware of the threat to long term market stability inherent in current decline of their sterling area trade.

Almost without exception they're doubtful Britain or any other sterling country will soon return to anything like their former position as buyers of Canadian lumber; look with some anxiety toward 1952 when U. S. dollar aid through ECA is scheduled to peter out.

But most interviewed by The Financial Post are definitely optimistic on their over-all market outlook for the next few years at least; see no great difficulty in disposing of production at something like the current level well into the 1950's.

The B. C. industry is betting on a relatively high and relatively stable level of general business, income, employment and expansion in North America. In this, and in its pessimism over British buying, it is in fairly close accord with views of Eastern lumbermen, and with that expressed at the recent Canadian Lumbermen's Association meeting in Montreal by Gilbert Jackson, consulting economist, of Toronto.

No one on the Coast expects that in peacetime U. S. demand for Canadian lumber will again double within 10 years. (Between prewar and postwar—between the periods 1935-38 and 1945-48—the proportion sold in United States of all our lumber and timber exports jumped 14% while the proportion sold to Britain dropped 10%.)

But, equally, most B. C. lumbermen are convinced future U. S. growth can be trusted to bring about in a few years enough increase in American consumption of Canadian lumber to replace present consumption overseas. For one thing, they point to U. S. population growth currently at the rate of just under 2% a year.

To summarize: B. C. wants to win back its traditional sterling area lumber trade. In specifications and quality, in price and delivery commitments, Coast lumber operators are going all-out to do so, or at least hold what they have, despite the still-rising barrier of dollar shortage abroad.

But the betting is on dollar area trade.

And the play is mostly confident.

Experience Backs Hopes

The record in some measure supports that idea of Canada's future lumber export pattern, and of the B. C. lumber trade outlook in general.

Since 1947, B. C. lumber exports to U. S. domestic markets have more than trebled. Coast mills alone last year shipped 672 million board feet to the United States, against 495 the year before and a mere 202 in 1947.

In the same period, the B. C. coast mills' shipments to British countries slipped from 963 million board feet in 1947 to 664 in 1948 and 583 last year. Their shipments for Canadian consumption changed relatively little — 818 million board feet in 1947; 930 in 1948; and 830 in 1949.

While lumber sales from all Canada to United States slipped about 12%—to about 1.4 billion board feet in 1949 from about 1.6 billion feet the year before, sales of the B. C. (coast) mills to that market rose more than 35%—from 495 million feet in 1948 to 672 last year.

United States last year took about one third of both total Canadian lumber output and that of B. C. coast mills. And sales to that market have been picking up markedly since last October due to devaluation plus a continued high level of building, wood packaging, wood furniture production, etc. Most general business analysts have found the 1950 outlook there buoyant.

And current preliminary estimates of 1950 U. S. lumber and millwork consumption in construction (Dept. of Commerce) yield a figure of 21 billion board feet, or just 4% below revised estimates of 1949 consumption for the same purposes.

Production was off slightly last year, alike for Canada as a whole and B. C. (coast) mills. Decline for the latter, at 2.4% to 2,050 million board feet, was slightly less than that for the whole country—at 5,250 million feet, down 3.9%.

Contributing to the Pacific province's lumber production decline—small as this was—was a factor that didn't weigh in the East. B. C. output wavered for two or three months during winter season's of both 1948-49 and 1949-50 when snow, ice and flood conditions unusual to that Canadian "semitropical" region disrupted camps and operations and precipitated a degree of "unseasonal seasonal" unemployment which momentarily alarmed many Canadians.

Lumber operators see this in less pessimistic perspective.

"Keep 'em Growing" Drive

After marketing and production, today's big preoccupation of woods producing and processing companies (and of the government Dept. of Lands and Forests) is forest conservation.

This is being approached in British Columbia in several ways:

1. A stepped-up program of fire and pest control;
2. Re-logging of "smallwood" from logged areas, utilization of waste for pulp;
3. Selective cutting, and "more engineering" in log hauling operations to avoid unnecessary destruction (high-head yarding for years has been a notorious tree killer);
4. Cutting nearer the ground with power chain saws to avoid wasteful high cutting;
5. Replanting and planting clear areas;
6. Diversification of the industry into wider ranges of pulp types and into greater production of pulp generally.

Most spectacular gain in the conservation drive has been recent expansion of pulp mills and pulping operations (see separate story on the pulp and paper industry).

Scientists and loggers have developed new techniques which they say ultimately will put B. C. forests on a conservation par with those of Scandinavian countries and with packing houses which "use everything but the squeal."

In earlier years, almost one third of the timber cut was ruthlessly wasted in the woods, and another 20% lost in processing. A lot of the wood waste is being eliminated by mechanical equipment or by new ways of using standard equipment. But biggest gains are in pulp processing—Bloedel, Stewart & Welch and H. R. MacMillan Export's Nanaimo Sulphate Pulp, for example, will use largely woods waste or low-value byproducts from their sawmills and plywood plant.

Tops and branches which used to be burned are being used today to make kraft paper and cardboard. Sawdust, formerly dumped, burned or sold as fuel, is being diverted to manufacture of wallboard or cardboard. Sawdust and other waste wood today also yields ethyl alcohol, plastic resins, industrial acids.

Hemlock and cottonwood, once forest outcasts, are now being made into lower-cost plywoods. Softwoods appeared last year for the first time in a new guise—made hard as oak maple or birch by impregnation with chemicals in a process developed for war.

Forest Management

Fitting into the picture is the two-year-old and controversial government system of issuing "forest management licenses." The system aims at cropping the woods on a sustained-yield basis, by private interests.

Latest such license was granted to British Columbia Pulp & Paper Co., covering 100,000 acres in Quatsino Sound area.

Here's how the system works, as described by the government Forest Service.

Licensee gets perpetual rights on lands where he may now have only rights to existing mature stands; also any additional Crown lands he might need to permanently sustain his plant.

Applicant posts a substantial bond, in amount subject to decision of the minister of lands and forests but not exceeding $500 per million board feet on the area's estimated annual crop. Deposit is refunded when the minister is satisfied the operation is being carried out as per plan. No deposit is required where the operator is already established in the area in which he is seeking a license.

On Crown lands, licensees will pay rental of a cent an acre, plus forest protection tax, plus stumpage on the original crop. Future crops will require a straight yield tax of 16% of the appraised value, plus the other charges.

Private lands retain their original status as to taxes, rentals, etc., even though incorporated in a management license. Such holdings can't be sold or transferred without authority. All tenures revert to the Crown when logged.

Anyone can qualify. But existing operators will get first choice when applications for an area where they're operating are being considered.

Applications include a complete outline of the area sought, including a tabulation of all the applicant's timber holdings and a rough estimate of the sustained-yield capacity.

If the application is acceptable to the Forest Service, notice of such application will be advertised for 60 days. If there are no objections, the applicant submits a working plan. If that's okay, he gets the license.

So far, very few have been granted. But results, slow in starting, are gaining momentum and by many considered promising. In any case, the Government aims to keep on plugging forest management and sustained yield along with other major "forest defense" measures.

Log Small Wood Too In Conservation Drive

"Pygmy logging," Eastern style, is being tried in B. C. valleys of the giants.

Typical of the new drive of West Coast forest industries to conserve and fully utilize trees as a top resource of the province and nation, is a recent move toward salvage of "smallwood" where big sticks have just been logged. A Powell River Co. subsidiary, Alice Lake Logging Co., is one of the outfits making a bold start in this new field and continuing studies of method to cut handling costs, the biggest problem.

Here's how Alice Lake does it, moving in with Eastern-type light equipment on the heels of the heavyweights.

Supplementing the gathering of smallwood from Fraser Valley farmlots, Alice Lake Logging last summer embarked on a scheme to go over all recently logged areas which had remaining on the ground 15 cords or more per acre of hemlock, balsam or spruce.

"Smallwood" is defined by the company as unpeeled wood suitable for newsprint making, 5 to 11 in. in diameter at the small end and in any lengths between 10 and 50 ft. It must be gathered as soon as possible after the main logging and before the outer or sap wood begins to deteriorate in fibre strength. Material already felled is sawn by hand to greatest possible length.

Equipment Solution

As the Powell River subsidiary explains some of the problems in this operation, it took quite a while to get the proper light, special machinery and tackle on the job and provide hauling and dumping facilities. But after about three months of operation with one complete unit and a production of 2,400 cords, it was thought that delivered plant costs shouldn't be much higher than those of the usual run of pulp sawlogs.

Experiment is being continued to cut handling costs, by far the biggest drawback. Machinery and gear standard in the B. C. woods is built for large logs. Now, to fully utilize the timber, it's found necessary to supplement operations with the handling tactics of the East.

Alice Lake's "smallwood" equipment features a gasoline-powered donkey engine as a "cold decker" to haul in the wood to a central pile. It has a ¾-in. wire rope mainline on one drum which does the pulling job, ⅝-in "chokers" or grabline ends to hold the sticks, and a ½-in "haulback" on another drum and running out to a pulley block in the woods. The rigging, blocks and other tackle are miniature models of regular western equipment. Cold deck spar trees from the original sawlog operation are left standing and then rerigged when the light unit comes along.

Old Style—New Scale

The operation utilizes two smaller hoisting machines, one for "yarding" or tightline hauling the smallwood to the roadside, and one for loading. Here, too, the original spar trees are used and equipped with small loading boom and tongs. Each bundle lifted weight about 10 tons.

Bundles are made up by having a three-jawed cradle or crib erected on a wooden sled into which 18 to 24 pieces of smallwood are placed. The jaws are eight feet apart. Each cradle load contains an average four cords of 93 cu. ft. each. Each diesel-engined truck equipped with 10-ft "bunks" and 30-in. stakes holds three bundles, or 12 cords of material. If any logs 12-in. and up in diameter and 16-ft. and up in length develop, they're kept aside and loaded in the orthodox manner, not bundled.

In all, this unit employs 15 men.

When the cradle is full the logs are banded on each end with two-inch steel about 17 ft. long, tightened and sealed with a patented device. A narrower band is now on trial. Steel strip banding has been found cheaper than flexible wire rope or heavy-gauge telephone wire. The strip is expendable.

The whole truckload of three bundles is lifted bodily into salt water at the regulation dump, then stowed and rafted in the conventional manner with boomsticks and "swifters," each section containing something like 70 cords.

Smallwood logging, says Alice Arm Logging Co., will grow in B. C. as long as it can compete with standard logging. Offsetting a very slightly higher cost (at the present stage of experiment) are that the method: (a) reduces fire hazard, thus protects seedlings and promotes natural regeneration; (b) enhances production of wood per acre; and (c) preserves timber assets to the extent of the footage so secured.

CROWN CORK & SEAL CO. LTD. net profit of $460,905 for 1949 was 9% lower than the 1948 net of $506,352. Working capital increased from $1,661,859 to $1,933,220.

INCOME ACCOUNT

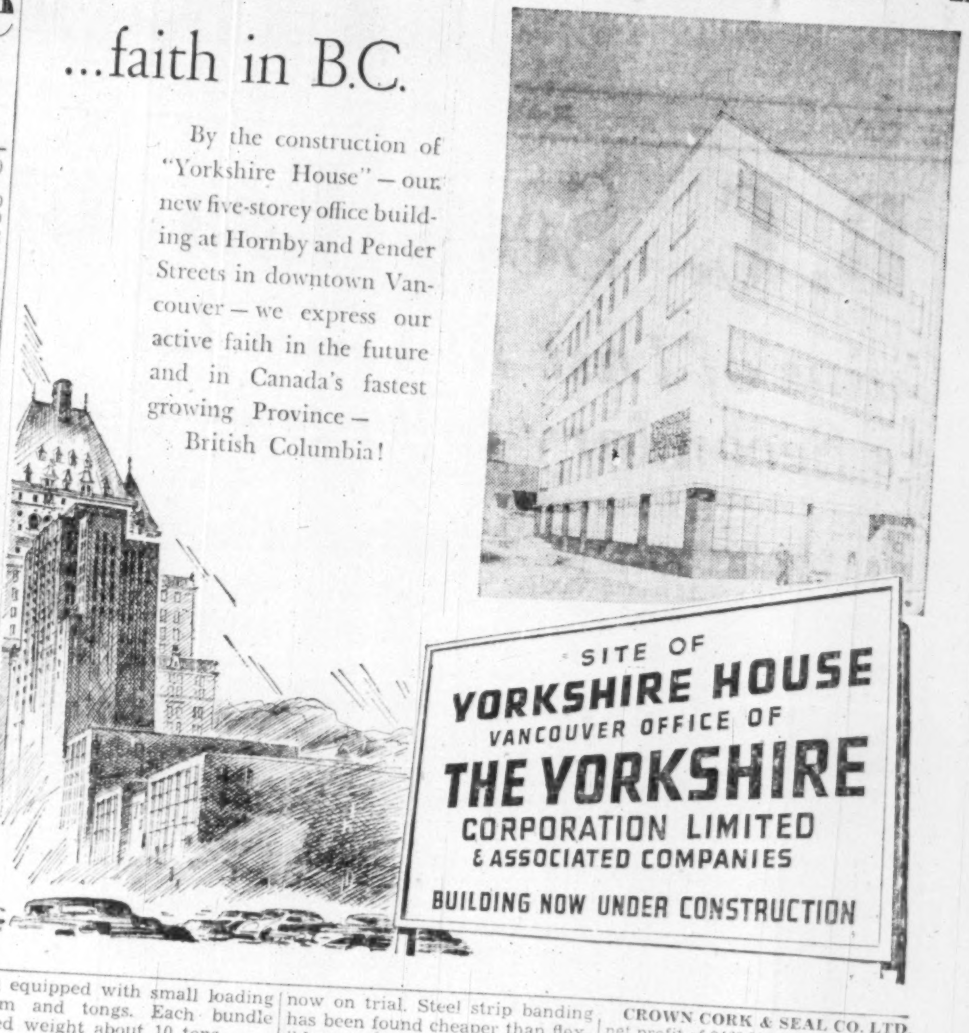
Years Ended Dec. 31:	1949	1948
Net earnings	$724,238	$806,310
Less: Income tax	283,554	300,156
Add: Invest. prof.	20,181	......
Asset sale prof.	40	198
Net profit	460,905	506,352
Less: Dividends	200,000	200,000
Surplus for year	260,905	306,352
Earnings per Share and Dividend Record:		
Common	$4.61	$5.06
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$483,881	$121,926
Accts. rec.	284,535	448,248
Inventories	1,471,803	1,615,767
Total curr. assets	2,245,219	2,185,941
Investments	950	26,385
Misc. assets▲	94,291	140,224
Fixed assets*	982,303	1,021,391
G'will, patents, etc.	2	2
Total assets	3,322,765	3,373,943
Total curr. liab.	311,999	524,082
Funded debt	500,000	600,000
Reserve	59,000	50,000
Capital stock	695,000	695,000
Dist. surplus	75,000	75,000
Earned surplus	1,690,766	1,429,861
*After deprec. of	866,873	744,653
▲Incl. ret. EPT	75,217	123,987
Working capital	1,933,220	1,661,859

...faith in B.C.

By the construction of "Yorkshire House" — our new five-storey office building at Hornby and Pender Streets in downtown Vancouver — we express our active faith in the future and in Canada's fastest growing Province — British Columbia!



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BCFP

British Columbia and the Future

Investment in British Columbia is today the outstanding field for investment in Canada's future. The extensive development planned for this Province, and so necessary if we are to make use of our natural advantages, can only be achieved by investment, not just by large institutions, but also by the small investor — investment in the future of British Columbia.

Development on the scale envisioned can be attained only in proportion to the extent that we show our belief in our destiny. And with this in view the economic and social growth of this Province is being encouraged by the efforts of its government. The provincially-owned Pacific Great Eastern Railway is being pushed Northward, the already vast highway system is being extended and improved; new and greater electric power developments are being constructed throughout the Province; agricultural development, land settlement, industrial research are being pressed, and in many other ways the economic advance is being encouraged. Social changes, too, are being carried on through health and educational developments and in a variety of other ways too numerous to relate. While their part in the increased productivity of British Columbia is more difficult to evaluate, nevertheless without them economic development alone is of little value.

All this cannot be done without the expenditure of large capital sums, and it is in the provision of such moneys that the investor, large and small, can contribute not only to his own financial advantage, but to the future of British Columbia.

Through sound financial management all this has been done without too great a burden on the country. This burden of debt has on a per capita basis been sharply reduced over the past few years as is well illustrated by the following data:—

Year	Net Debt	Population	Per Capita Net Debt	Per Capita Interest Charges
1933	$136,818,000	717,000	$190.82	$11.02
1941	145,363,000	818,000	177.71	8.42
1945	132,160,000	960,000	137.67	6.27
1949	146,100,000	1,114,000	131.15	5.82

PROVINCE OF BRITISH COLUMBIA
Department of Finance

H. Anscomb
Minister of Finance.

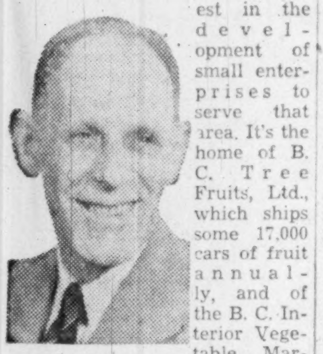
Here Are Growing B.C. Communities

Kelowna

Population — 15,000 (including suburbs)

Building Permits:	No.	Value $
1939	...	360,006
1949	407	1,027,433

On Lake Okanagan, in the heart of the famed fruit-growing valley, Kelowna (it means Grizzly Bear) has seen its population doubled in 10 years.



Mr. Monteith

Behind its growth are the expansion of the area it serves, and keen interest in the development of small enterprises to serve that area. It's the home of B. C. Tree Fruits, Ltd., which ships some 17,000 cars of fruit annually, and of the B. C. Interior Vegetable Marketing Board.

Here are some of the new industries which have established in Kelowna in postwar years; Canadian General Electric, warehouse; Game Guide Products, sporting goods; Imperial Optical Co., lenses; Interior Propane Sale Ltd., bottled gas; Keloka Venetian Blinds; Kelowna Cement Block Works; John A. Krassman & Son, cement products and tile; McGavin Bakeries Ltd.; Okanagan Upholstering Co.; Perfection Products, detergents; Seven Up (Kelowna) Ltd., soft drinks; Shaws Candies; Smith Furniture Mfg. Co.; Taylor Catering Services, candy; Valley Towel & Linen Supply; Wilson Pumice Products Ltd.; Winfield Cement & Pumice Blocks.

Continued expansion in by-products of the fruit industry is looked for with a drive for greatly increased sales in apple juice, vinegar and apple concentrate.

Kelowna's building activity reached its postwar peak in 1948, with city permits hitting a total of $2,825,478 and permits in the regulated rural area at $1,303,000. In 1949, the combined total was over $1.7 millions, and 1950 is expected to show a substantial increase with large contracts including a city hall, several schools, extension to the hospital, a new Federal government building and an enlarged home-building program. Last year, 50 new dwelling units were completed.

Opening of the Hope-Princeton highway has cut the Kelowna-Vancouver motoring time to eight hours, and a boom in tourist business is anticipated this summer.

Vernon-born J. I. Monteith, president of Kelowna Builders Supply, Ltd., is president of the Board of Trade. Veteran of World War I, was with several Vancouver contracting and construction companies before moving to Kelowna in 1944. Is active in numerous civic organizations.

Rossland

Population — 5,000

Building Permits:	Value
1949	$1,007,259

The residential community of Rossland, six miles from Consolidated Mining & Smelting's operations at Trail, has continued its growth with a 50% increase in population since 1941.

Mr. Barnes

Chief building activity in 1949 was the erection of a $900,000 school. Some 20 new houses were built, and it is expected home construction in 1950 will be higher.

Board of Trade president is Edgar F. Barnes, branch manager of the Bank of Montreal. Victoria-born, he was formerly manager at Oak Bay; married with two children, hobbies are golf and fishing.

Prince George

Population — 10,000 (including suburbs, 15,000)

Building Permits:	Value
1939	$68,885
1949	364,350

The indications are that Prince George's growth (population up almost three times since 1945) has been just laying the foundation for its future.

Lumber and railway activity are the city's industrial foundation, and it is to both these that it is looking in the future.

Mr. Albins

With $7 millions voted for the Quesnel to Prince George extension of the Pacific Great Eastern, and the possibility of eventual extension to the Peace River area and southern extension from Squamish to Vancouver, Prince George will become a hub of interior traffic. PGE station and yards will be located in Prince George.

Since 1946, kiln-dried lumber has become a specialty in the district, and the $250,000 installation of Prince George Planing Mills has added materially to output. Eagle Lake Sawmills near Prince George is constantly expanding operations, and is reported considering establishing a pulp and paper mill.

Any paper mill developments will depend on the $5 million Quesnel hydro scheme, for which dam surveys have been completed.

Work was resumed this spring by W. C. Arnett Co., construction engineers, on the final 24 miles of the $15 million Hart Highway making Prince George the focal point on the Vancouver-Alaska and Vancouver-Edmonton routes. It is expected it will be completed in 1951.

In the city itself, 31 houses were completed in 1949, but participation in the Federal housing program this year is expected to increase this number. There are also many homes being constructed in the suburbs, and negotiations are under way for a new hotel and other business buildings.

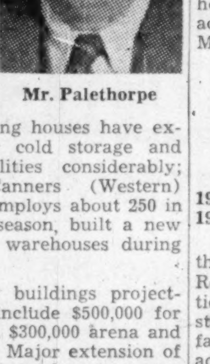
Board of Trade president is Charles O. Albins, Hamilton-born manager of the local branch of W. H. Malkin Co., wholesale grocers. An officer in Rotary, he is also president of the "On to the Peace" railroad association.

Penticton

Population — 14,000

Building Permits:	Value
1939	$ 156,625
1949	1,243,650

Centre of the lower portion of the Okanagan Valley, Penticton has continued to expand as a trading and distributing point in a measure comparable to the growth of the whole area.



Mr. Palethorpe

Opening of the highway to the coast has brought in a number of distributing warehouses—groceries, electrical goods, etc.—which have added to community employment and revenue. Several small factories have been established, including woodworking lines and makers of sprayers and orchard machinery for the nearby fruit area.

Fruit packing houses have expanded their cold storage and packing facilities considerably; Canadian Canners (Western) Ltd., which employs about 250 in the canning season, built a new cannery and warehouses during 1949.

Community buildings projected for 1950 include $500,000 for schools and a $300,000 arena and sports centre. Major extension of sewers, streets and water services is also contemplated, to take care of the 150 new homes built last year and an even larger number expected this year.

Expansion of the tourist trade has increased community activity. Three years ago, there were five auto camps; now there are 17 auto camps, motels and courts, and the three hotels have increased their capacity about 50%.

A project of major interest to the city was the Board of Trade Building, erected in 1948; modern, two-story building with office space and board rooms.

President of the Board of Trade is J. L. Palethorpe, who retired on Feb. 1 as CPR division superintendent. Born at Ingersoll, Ont., he joined the railway at Montreal in 1910 as a stenographer; was assistant superintendent at Montreal in 1926, and served in other divisions across Canada before going to Penticton.

Vernon

Population — 12,000 (including suburbs)

Building Permits:	Value
1939	$ 136,640
1949	1,110,996

Vernon this year is looking forward to completion of the 30,000-hp project of British Columbia Power Commission at Whatshan Lake, scheduled to be in operation before the end of the year, and expected to provide an abundance of electrical energy at low rates for industry.

Mr. McDowell

In the heart of the fruit-rich Okanagan Valley, Vernon has enjoyed steady progress since the war, although its apple export business has been unsteady because of British dollar shortage. Fruit and vegetable canning and dehydrating, dairying and timber are the chief industries complementary to the farm area.

Contruction activities in the past year included a 110-bed hospital, fruit packing house, 213 homes and four apartment buildings, with estimated new housing for 1950 set at about 175 units.

Board of Trade president is auto-dealer Charles J. McDowell, 38, president of McDowell Motors Ltd., RCAF veteran (navigator); married with four sons and one daughter; Liberal candidate in the 1949 Federal election.

Prince Rupert

Population — 10,000

Building Permits:	Value
1949	$400,000

"Develop the North" is the slogan of the Prince Rupert Chamber of Commerce, and the signs are that it is being done. Here are some of the activities around the growing city (up 50% since 1942) midway up the B. C. coast:

Construction of the $35-million sulphite mill of Columbia Cellulose nine miles from the city; to be completed in 1951; 850 men now employed in construction; mill capacity to be 250 tons per day, using from 75 million to 100 million fbm logs annually.

Aluminum Co. of Canada is surveying power possibilities in the Nechako River area, 100 miles south of Prince Rupert.

Plans for a ferry service between Prince Rupert and Haines, Alaska, are well advanced, according to Col. John R. Noyes, Road Commissioner for Alaska.

In spite of exchange and export difficulties, the fishing fleet has enjoyed steady activity, and shipping and transportation for inland central B. C. provide high employment.

Typical of the community growth is the conversion of a large wartime U. S. Army administration building into a 50-suite apartment block by the Kaftel interests who have site bought and plans nearing completion for a $1.5 million 150-room modern hotel.

School building program this year will involve $750,000; the Daily News is erecting a new building to double accommodation, and Paramount interests are building a new 500-seat theatre. Indications are that home building, under a government-aid plan, will boom in 1950.

Detroit-born Louis M. Felsenthal, president of Wallaces Department Store Ltd., is president of the Chamber of Commerce. Resident of the city since 1940, he has been active in all public activities, is prominent in Rotary. Married, with two children.

Revelstoke

Population — 3,200 (with suburbs, 5,000)

Building Permits:	Value
1939	$19,499
1949	64,780

Mountain divisional centre of the Canadian Pacific Railway, Revelstoke has seen its population grow 50% since 1941. Its steady growth is reflected in the fact that with 35 new homes added last year, the same number are expected to be built this year.

With a minimum of 800 employees servicing the railway shops and roundhouse, other industries are centred on the area's forests. There are two sawmills in the city and others in the surrounding district; a sash and door factory and a number of shingle mills. Arrowhead Wood Preservers treat cedar poles for telephone, telegraph and power line construction.

Development of an unusual industry is the six-employee T. Amano Co., which processes soy beans used in the manufacturing of sauces, mostly for the Oriental trade.

Considerable prospecting is reported in the area, with silver, lead, zinc and gold the chief minerals.

Gateway to two national parks, Mount Revelstoke and Glacier National, Revelstoke is boosting its sports attractions, including skiing in the Rockies.

Nanaimo

Population — 8,500 (including adjacent area, 17,500)

Building Permits:	Value
1949 — city	$1,023,145
district	1,234,820

Official opening on May 24, 1949 of the 12-acre terminus facilities of the Canadian Pacific Railway at Nanaimo marked a "dream come true" for the Vancouver Island community. Built at a cost of more than $2 million, it centralizes steamship, bus and freight operations for the Island, and is considered the most important project in the community in 25 years.

Production at the new Nanaimo Sulphate Co. $15 million mill eight miles from Nanaimo is scheduled for September, with 200-ton daily capacity, using waste materials from the various H. R. MacMillan enterprises both on Vancouver Island and the Fraser River. About 250 will get full-time employment.

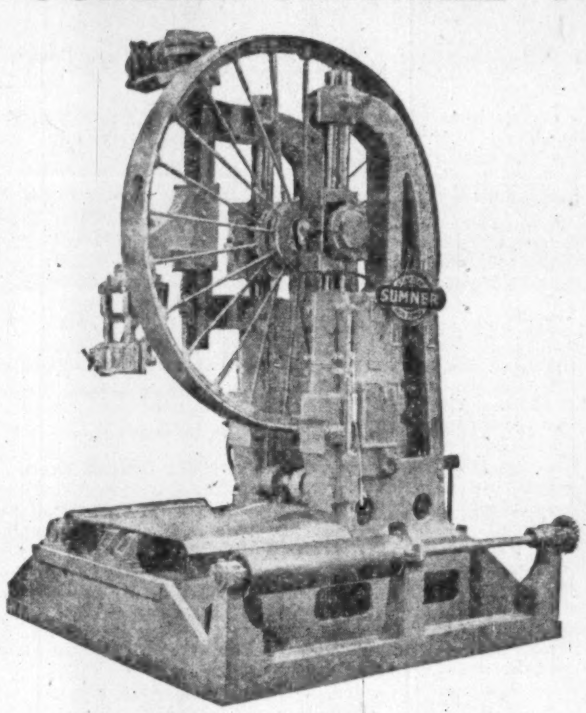
Coal mining in the area employs about 500, with payroll averaging $100,000 a month. Three sawmills and logging operations add to the employment picture.

Approved by Ottawa and expected to get under way this year is a $1 million building for the Post Office and other Federal departments.

With more than 200 houses built in Nanaimo district during 1949, building this year is expected to pass that mark.

Manager of the Nanaimo branch of the Bank of Nova Scotia, Toronto-born F. W. Robinson is president of the Chamber of Commerce. Married, with one son, he finds Nanaimo's tourist attractions satisfy his hobby — the outdoors.

SUMNER SAWMILL - PULPMILL MACHINERY



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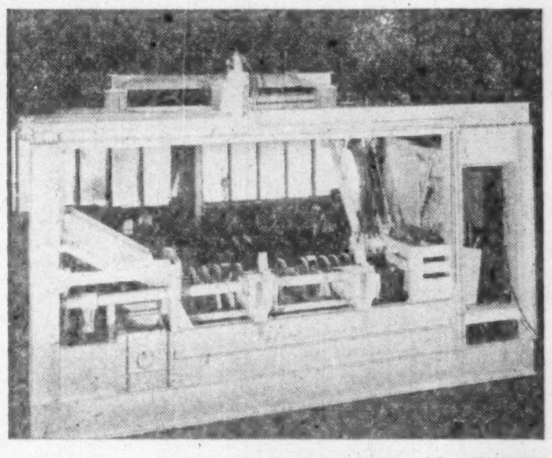

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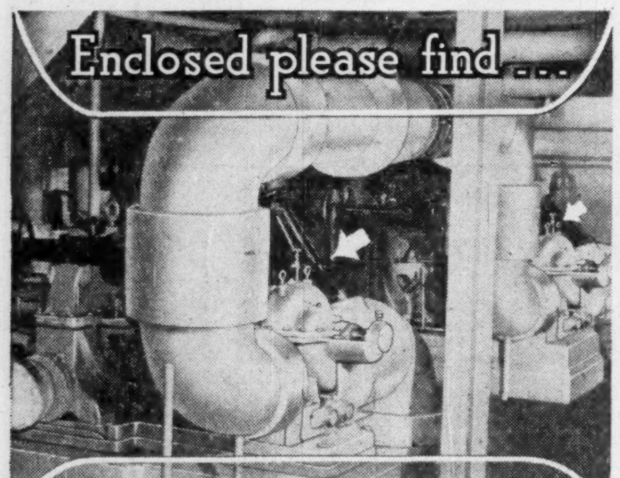

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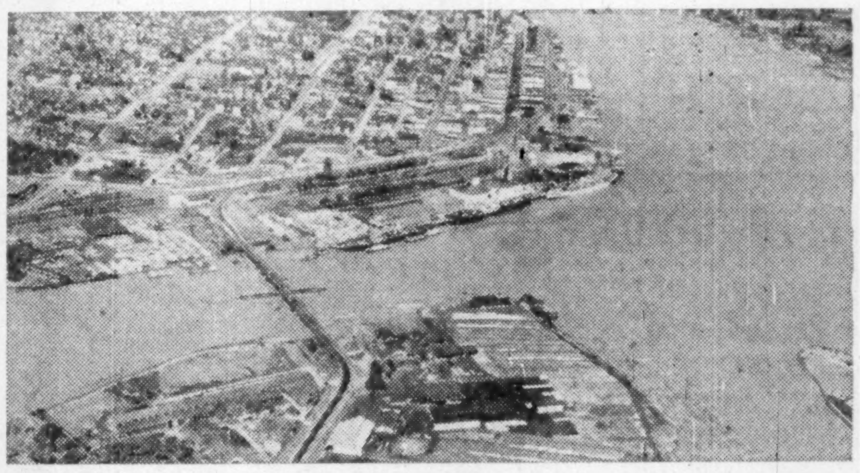

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What's Export Future for B. C. Fruit?

Farm Research Seen Key to Stabilize, Expand Industry

Food vital Fraser Valley isn't grieving.

All but drowned by disastrous flood in 1948, then buffeted by this winter's blizzards, farmers of the valley and province appear to have shaken off their weather tribulations with all the West's traditional skill, resource and pioneering courage.

Now little the worse for its dousing of a year ago, the famed green valley of the Rockies snapped back into large-scale production in 1949, helped hoist the province's agricultural production total to an estimated record $145 millions, against $142 millions the year before and $135 millions in 1947.

But, as in most human and business experience if it isn't one thing it's another.

Now, trade and industry physicians are prescribing for a different ailment. And in another quarter of the body agricultural.

Diagnosis: market trouble.

Tender spot: Southern Central B. C.'s lushly fertile Okanagan fruit country where growers have been writhing over an apple glut.

Federal Agriculture Minister Gardiner has gone on record that B. C. apple producers would make a strong case for Ottawa price support if they could show at the end of their annual operation that the recent gift of $1 million of western apples to Britain was an alternative to letting the fruit rot in the orchards or in storage.

Decision on a price help plea probably would be reached this month, Mr. Gardiner recently told President A. K. Lloyd of B. C. Tree Fruits Ltd.

Process, Pack More?

Price support or not, British Columbia seems to be facing need for a lot more agricultural research, technical as well as market. To many on the West Coast, decline of the British market, particularly the collapse in apples, appears to emphasize this point.

Said the agriculture committee at B. C.'s recent (third) Resources Conference in Victoria: "Proper co-ordination of research information from several valuable sources" is a vital need. It added that closer co-operation between the farmer and the food processor could lead to more profits for both.

Planned merchandising, modernization of plants, reduction of growers' costs were also advocated by the committee, along with a general advertising appropriation to make fellow British Columbians "conscious" of B. C. produce. It recommended as well a longer-term agricultural policy, price stabilization and mobilization of expert knowledge for common use, saying its proposals taken together "will maintain future markets."

The committee made much of its process-pack-at-home idea as one remedy for surplus produce-in-the-raw; saw resulting secondary industry expansion benefiting the whole B. C. economy and the farm community alike.

WHAT 27,000 B. C. FARMS PRODUCE ON A MILLION ACRES IN A YEAR

(approx. millions of dollars)
Source: B. C. Govt. Bureau Economics & Statistics

Fruit, vegetables	35
Field crops	32
Dairy products	29
Livestock	21
Poultry products	19
Other	6
TOTAL	142

Processive $20 Millions

As a reminder the province already has a good foundation on which to build such "rural industry," the committee said B. C. food processing currently is running at about $20 millions a year.

And here may be some pointers in recent news and statistics:

Of 3,672,000 cans of raspberries produced in Canada in 1949, canners in B. C. packed more than one third, both figures new records.

Though Canadian acceptance of apple cider is considered speculative, investigations are afoot to learn the market potential. Sales of apple juice from the 1949 crop are "satisfactory," say industry spokesmen. To Jan. 1, the sales stood at 74,152 cases of "clear," 19,393 of "opalescent," and 7,477 of "applelime." Booked for future delivery were 418,375 pounds of dehydrated apples.

A recent Vancouver visitor from England—technologist Dr. Hans Freund, chairman and managing director of Frenot Ltd London, said he hopes to sell B. C. growers on a new canning method "to make use of all apples you can't sell." Under the British system, juice is extracted cold with a new type press and stored in refrigeration under harmless carbon dioxide. Visitor Freund foresaw the day when stainless steel tank trucks may carry apple juice from the Okanagan to Vancouver for distribution like milk. He left the impression his firm is considering establishment of a B. C. plant to extract juice or, alternatively, supply machinery for installation in existing plants.

Thus, marketing methods and price help both are getting sharp attention and conversion may become increasingly prominent in fruit industry planning.

For the longer term, agriculturists dream of populous communities and prosperous farms in the B. C. wedge of the Peace River block and in the Prince George or Cariboo district, where lies waiting most of the province's five million acres of undeveloped potential agricultural land.

The Government is active in promoting and supervising land settlement but, according to ardent planners, its program might be speeded with profit. Incidentally, 20,000 acres of farmland have been cleared in the last four years by the Government, Agricultural Minister Harry R. Bowman told the legislature early this month.

Incidentally, too, B. C.'s "over one desk" plan of majority-approved sale of the entire output of a given area or crop has been praised outside the country. Spokesmen for Washington, Oregon and Idaho growers recently were reported as saying they consider it the best agricultural marketing legislation in force in North America.

There's lots of market room as well as empty acres beckoning settlement farmers.

British Columbia is agriculturally self-sufficient only in tree and small fruits, eggs, fluid milk and certain vegetables in season. Imported in large volume are butter, cheese, flour, beef, veal, lamb and pork. B. C. faces longtime importation of manufactured dairy products as matters stand now.

And the province badly needs trained farmers. According to statements made at the recent Resources Conference in Victoria, high school courses aren't filling the need, even for students with a farm background. Vocational training at high school level is advocated.

Most successful have been those engaged in mixed farming. But there has been in recent years a sharp increase in the number of specialized establishments, such as dairy farms, tree fruit ranches, poultry ranches, seed and bulb farms. Cultivation under glass has shown pronounced rise in the past few years—about 5.2 million sq. ft. of cultivation is under glass, mostly around Vancouver and Victoria.

Unlike the other main primary industries of B. C., its agriculture output is essentially for home consumption (with certain important exceptions, such as tree fruits).

DOUBLES VALUE SINCE '20

(Millions of dollars)

Agriculture Prod'n Gross Value Source: B. C. Govt. Dept. of Agriculture

1920	69.0	1937	50.0
1923	59.2	1939	49.4
1926	71.4	1942	73.8
1929	63.0	1945	103.0
1932	34.4	1948	142.1
1935	42.4	1949 (est.)	145.0

Urban Demand Growing

If the long, urgent rise in population is in any considerable measure continued, demand for foodstuffs in cities, towns and primary industry communities would be one of the fastest growing in Canada. B. C. farmers will supply it, in so far as this is consistent with intensive land use in settled river valleys.

The dairy and livestock farmer, for example, often isn't happy about his dependence on Prairie feed grain. But the B. C. concept is not to convert large acreage to grain. It's considered better to grow small acreage of high yield crops which will lessen dependence on any feed grain—kale, root crops, mangels, fodder corn, for example.

All these studies and discussions about better technique in producing, processing and marketing farm output clearly place B. C. agriculture in the light of a progressive industry. It needs more technicians but at least it realizes this.

One thing more—among many other examples that could be used for illustration—shows that the farming community and government are in partnership for progress, and a degree of advance keyed to the province's exciting over-all growth.

The one thing more is a vigorous program of irrigation. In other words, the farm expansion eggs aren't all in the land settlement basket.

Victoria is spending progressively out of a $2 millions fund to assist irrigation in the interior areas. This, coupled with Ottawa-financed work undertaken by the Prairie Farm Rehabilitation Administration for Veterans' Land Act account, is continuing in B. C. Canada's worthwhile enlargement of valuable irrigated areas.

Huge Stake in Phones, Radio Lays Groundwork B. C. Growth

Principally because of its expanding economy, British Columbia has experienced a population increase (B. C. now tops 1.1 millions) during the past five years which on a percentage basis is more than twice that of any other province. Percentage increase since 1911—176—also is higher than any other province.

To keep communications in step with this relatively rapid growth, many millions of dollars have been invested in equipment and electricity, poles and wire.

Here's the setup now:

Terminus of two transocean cables;

Transcontinental and internal telegraph service by CPR and CNR (and in isolated areas by the Canadian Government);

More than 260,000 telephones, or 23.3 per 100 people, including business and public-pay;

More than 46 Canadian Government radio stations serving mainly ships and aircraft—direction, beacon, range, and radio-telegraph and -telephone. Some 519 B. C. Government radio stations, including police. About 400 private commercial radio stations and 36 commercial broadcasting stations, plus a number of low-power repeater stations in isolated areas operated by Canadian Broadcasting Corp. Private receiving station licenses passed the 176,000-mark last year.

More than 1,600 ship-to-shore units, said to be possibly the world's most extensive such system;

Harbor control radar service to 53,000 vessels in 1949 alone (Vancouver's Lion's Gate system) — its use is a Navy must and system claims top place among world ports so served.

That's a lot of service — and a lot of investment — for so big and relatively unpopulous a territory, covering 366,000 sq. miles.

B. C. 'Phone a Giant

Holding a towering place — and stake — in the whole system and its rapid development of recent years is B. C. Telephone. It's Canada's second-largest-telephone organization, B. C.'s largest.

Here are some highlights of BCT expansion and its 4,400-employee operation.

Telephones in service 1905 about 7,000, then 42,000 in 1916, 135,000 in 1939, over 230,000 now; installation running at about 18,000 a year, with 25,000 backlog of applications.

First in Canada with semi-automatic long distance calls, termed "operator toll dialing," now being installed in Alberta and promised soon for the East. Has been in service Vancouver-Victoria past two years, expanded to other points since and now one-third of all LD calls on the system handled that way. Special equipment dispenses with operator in receiving city — operator in city originating the call, say Vancouver, dials straight through to, say Victoria.

New automatic exchanges to go into operation this year at Castlegar and Osoyoos in the interior, Fruitville, in Okanagan Valley and Union Bay, Vancouver Island. Some $3 millions of dial equipment to go into $260,000 Emerald exchange building replacing Fairmont manual exchange. Other substantial jobs are to be announced.

That's part of BCT's (and associated companies') greatest-ever development program — $40 millions in four years 1949-52, including about $17 millions for central office equipment, over $12 millions for cable, wire and poles, over $4 millions for long distance circuits and equipment, nearly $5 millions for telephones and PBX equipment and well over $2 millions for buildings and building additions.

Last year, the system spent $9 millions, started or completed 25 building projects, installed 19,000 new instruments, made major manual switchboard additions to 20 exchanges, put in service 12,000 new lines of automatic equipment, laid new submarine cables between Vancouver and North Vancouver and 12 miles between the mainland and Mayne Island, the latter biggest project of the kind in Georgia Strait waters in 19 years.

Said unique in the amount of submarine cable it uses, BCT claims more underwater links in its long distance system than any other North American phone company — 70 separate stretches aggregating 5,000 miles, tended by its own cable barge.

Radiophone-Voice of Coast

Through its associated organization, North-west Telephone Co., B. C. Telephone operates what many experts call Canada's greatest coastal radiotelephone system, serving 1,500 vessels and 200 land points and covering the whole B. C. coast area. Several hundred fishboats, tugs, yachts and other coastal smallcraft by this means keep in touch with each other and with their shore headquarters. A tug off Race Rocks, for example can hold chat on a moment's notice with any phone subscriber in the world.

Chartered by the provincial legislature to enter the radio-telephone field in 1929, within three years the North-west company was providing telephone service via radio to four major B. C. points previously without long distance telephone communication. In 1930, Powell River was linked in, bridging a 50-mile gap between the paper town and Campbell River in Vancouver Island, where the landlines took over. Then to Ocean Falls in 1931, that community's first long-distance telephone. Four years later the service reached out 400 miles to Prince Rupert and to Prince George, inland. Before then, both cities had been isolated telephonically.

POWELL RIVER CO. on Feb. 22, 1950, set up a world record for a day's production of newsprint. The run was 1,021.4 tons from eight giant machines, against previous record of 1,012.3 tons which rolled from the same plant June 28, 1949.

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Pulp, Paper Pace Industry Growth

Three New Mill Projects Bet on Forests

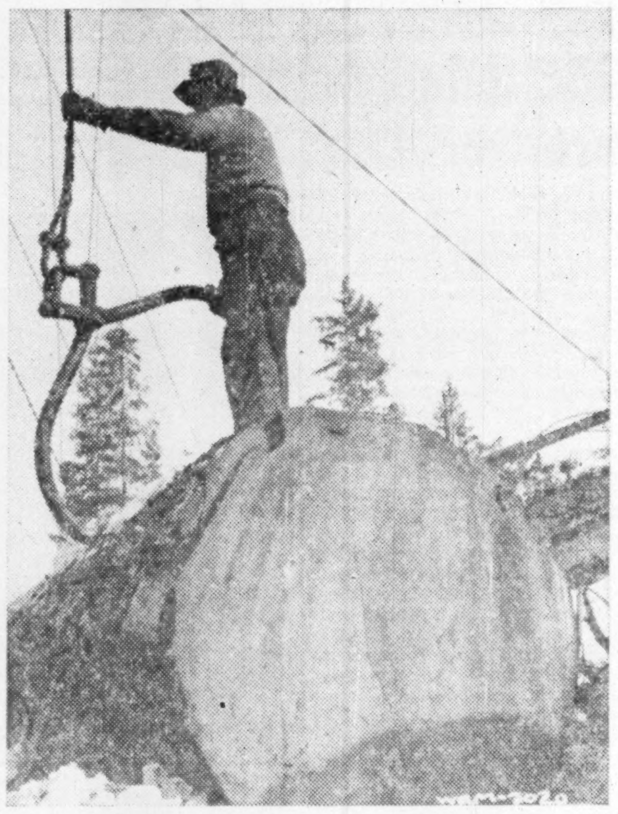
Three in five of the world's newspaper pages come from Canadian newsprint mills currently producing about 5.2 million tons a year. Of the Canadian output, about 385,000 tons a year, or 8%, is from British Columbia's fast-growing chain of giant pulp and paper plants.

Because of high world demand for industrial pulp, newsprint and other papers—and because the Pacific Northwest contains one of the world's finest remaining stands of high-grade pulpwoods — British Columbia is counting on its pulp and paper industry for an increasing role in West Coast prosperity.

Only a litle more than a quarter century ago, B. C.'s forest industries were operating on a half-year basis and mainly on logs and lumber. There was terrific waste of wood. Only giant trees were being yanked out—timber the East would consider big and that woods-thrifty Scandinavians would count as pure gold was either slashed to ruin in the logging process or left standing as virtually inaccessible.

Today, the province's forest industries have earned that name. They're on year-round operation. Still great in logs, lumber and timbers, they have diversified with plywood doors, millwork, chemically treated timbers, cedar specialties. And they've built at the same time Canada's newest regional pulp and paper empire.

Events of the past few years and activities under way mark a new and important era of the B. C. industry's development.



Six-footers, man and log, in British Columbia's fast-growing forest industries. With another set of tongs at the other end, the 40-foot "stick" will be loaded on truck or flatcar for short haul to salt water booming ground and finally maybe into your new house.

In 1948, the big, modern kraft or sulphate pulp mill of Bloedel, Stewart & Welch Ltd., began operation at Port Alberni on Vancouver Island.

As well, $82 millions of new mills are now under construction or projected for almost immediate building.

Near Nanaimo, Vancouver Island, H. R. MacMillan Export Co.'s Nanaimo Sulphate Pulp Ltd., is completing construction of a 200 tons a day bleached sulphate pulp plant, with production scheduled to start in the second quarter.

Near Prince Rupert, Celanese of America's Columbia Cellulose Co. has construction well advanced and is installing machinery for a huge new acetate pulp plant scheduled to get into production by mid-1951.

And for Duncan Bay, near Campbell River, Canadian Western Lumber Co. has a sulphite mill in the blueprint stage.

This new stature of one industry in a single province means a lot to Canada as a whole. It represents new sinews of trade and defense strength. And of more immediate import, it represents a major contribution to U. S. dollar conservation. More than 80% of 1949 production was sold in United States at $57 millions.

Apart from the three new enterprises mentioned earlier, there are seven companies operating nine pulp and paper mills in British Columbia.

They represent a total capital investment of $140 millions in plant and equipment. They employ 5,200 in their mills with an annual mill payroll topping $15 millions, plus about 2,500 in the woods. Back of every mill employee is an investment of $26,000 in plant and equipment.

Value of 1949 production is put at over $65 millions.

While there are nine mills, B. C. has four strictly "pulp and paper towns"—Port Alice, Ocean Falls, Powell River and Woodfibre, with aggregate population about 13,000. More than 20,000 people in the province depend entirely on the industry for their livelihood.

Estimated production in 1950 is about 716,000 tons, comprising 385,000 tons of newsprint, 56,230 tons of sulphite pulp (about two thirds of which is rayon pulp for remanufacture into rayon yarns), 113,500 tons of sulphate pulp (of which 30,000 tons will be bleached and 83,500 tons unbleached), 94,192 tons of dissolving pulp, 16,845 tons of paperboards and felts, 50,000 tons of specialties.

Just over one million acres of forest lands are being operated by the companies on a sustained yield management basis. In addition, large supplies of wood are bought in the open market, including farmers' woodlots. Purchases from the latter source are still small but expected to increase as the industry expands further inland.

Total purchases by the industry currently average about $30 millions a year for goods and services. For example, every year it imports from California 1.3 million barrels of fuel oil. That represents a heavy drain on its big U. S. dollar earnings, mentioned earlier in this article, but the industry hopes ultimately to switch to Alberta oil.

The B. C. industry expresses high hope for its continued full employment. It has plans — though so far only in the study stage—for expansion into timber stands yet untapped, and into several new varieties of product.

But realization of these hopes and plans, it's agreed, depend on favorable answers to some fairly broad questions.

Mainly, there is the pressing problem of freer monetary exchange and world trade in a much divided world. As well, in several once rising potential markets there is industrial revolution afoot and resultant new tariff barriers. And finally, the impact on our prices of rising production costs and taxes.

Here, in rough outline, is how Canada's foreign trade riddle looks today to pulp and paper men in B. C. and six other Canadian provinces:

With an over-all production virtually at the record level attained in 1948, with generally better managed forests, with mills which are now at their highest level of efficiency, the Canadian pulp and paper industry occupies a stronger position that at any time in its long history. It remains Canada's greatest breadwinner, the nation's largest producer and exporter.

Changes occurred in the market last year when, for the first time since the war effective demand on Canadian mills did not exceed output of pulp, newsprint, paper of all types, and paperboard. As president R. M. Fowler of Canadian Pulp & Paper Association sees it, this change in the relationship between supply and demand would represent a return to normality but for the paradox that it has been accompanied by no leveling off or diminution in real demand for pulp and paper throughout the world. In fact, world demand seems to be still increasing, as opposed to restrictions brought about by dislocations of world trade—with symptoms including currency problems, quotas and unbalanced international payments.

The world shortage has hit Canadian mills, particularly those making newsprint and market pulp of which we ship abroad more than 90% of total Canadian output. Last September's currency devaluation has, for the moment at least shut Canada out of, or greatly reduced Canadian sales in our traditional pulp and paper markets. And markets once lost are not easily regained, even presupposing a better balance of international trade.

But there is a brighter side of the same picture, as pointed out in a recent statement by CPPA President Fowler:

1. Now, for the first time since the war, exporters in Britain, Australia and many other overseas countries have a powerful incentive to sell in the dollar area.

2. If present factors restraining international trade continue and increase until Canadian pulp and paper is totally excluded from the sterling area, that area's available wood supplies and productive capacity probably would at once appear insufficient, even to meet the present severely reduced level of use.

"The fact is the world needs Canadian pulp and paper products and the inherent ingenuity and impulse of mankind to trade will, in the long run, surmount monetary difficulties."

British Columbia's first pulp and paper mill was built at Port Alberni in 1894. William Hewartson, Victoria, in 1889 decided to build the mill and personally selected the site. He formed British Columbia Pulp & Paper Mills Co., in 1891, then left for England to buy machinery, while Secretary-treasurer Herbert Carmichael took a work gang to Port Alberni to prepare the mill site.

Starting in 1894, the plant produced groundwood pulp, paper bags, newsprint, wrapping and book papers. But inexperience with pulping of native B. C. woods and lack of funds finally forced a plant shutdown and the company went into liquidation a few months later. Remnants of this mill have been preserved—what's left of the original water dam is a historic landmark on the Somas River near Alberni; a number of grinder stones now form a monument in Port Alberni erected by Bloedel, Stewart & Welch Ltd.

This early failure appears to have discouraged investment. Capital bypassed B. C. pulp and paper projects for several years. In 1910, however, the provincial government of the day introduced a new incentive—pulp leases of 21 years tenure, renewable each successive 21 years, with stipulation the lessees must erect either a pulp or paper mill within a stipulated time in return for specified areas of timber.

The government offer of long leases on big areas attracted capital within months and by 1912 the B. C. industry had been reborn, this time to live and prosper.

In May of that year, Powell

(Continued on page 29)

Firms Behind the Mills

Bloedel, Stewart & Welch Ltd. (pulp mill division)	Port Alberni	kraft pulp.
British Columbia Pulp & Paper Co.	Port Alice	bleached sulphite, dissolving & paper pulps;
	Woodfibre	nitrating & high alpha pulps.
Canadian Forest Products Ltd. (Pacific veneer & plywood div.)	New Westminster	hardboard.
Canadian Western Lumber Co. (projected)	Duncan Bay	....
Columbia Cellulose Co. (under construction)	Prince Rupert	acetate pulps.
Nanaimo Sulphate Pulp Ltd. (readying for production)	Nanaimo	sulphate pulp, bleached or unbleached.
Pacific Mills Ltd.	Ocean Falls	newsprint, sulphite pulp, wrappings, tissues, specialties.
Powell River Co.	Powell River	newsprint, unbleached sulphite.
Sidney Roofing & Paper Co.	Victoria	groundwood pulp, building & roofing paper, etc.

Here's B. C. Industry That's On the March

Workers (mills 5,200; woods 2,500)		7,700 (up 45% from 1941)
Payroll (annual, mills alone)		$ 15 millions (up 103% from '42)
Production (est. 1949)		$ 65 millions (up 134% from '42)
Sales U. S. (est. 1949)		$ 52 millions
Plant Investment		$140 millions (up 140% from '41)
Mills		10
Companies (incl. Nanaimo Sulphate Pulp Ltd., new, due to roll this spring)		8
Mill under construction (Columbia Cellulose Co., $30 millions)		1
Mill planned (Canadian Western Lumber Co.)		1
Production (est. 1950, thous. tons)		715.8
Sulphate pulp, bleached		30.0
Sulphate pulp, unbleached		83.5
Sulphite pulp		56.2
Newsprint		385.0
Pap. boards and felts		16.8
Specialties		50.0
Dissolving pulp		94.2
Wood consumed (1949, thous. bd. ft.)		457,622 (or 14% of tot. log cut in coastal areas softwood)
Hemlock	75.9%	
Spruce	13.3%	
Misc.	10.8%	

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566 Hornby St., Vancouver, B.C.
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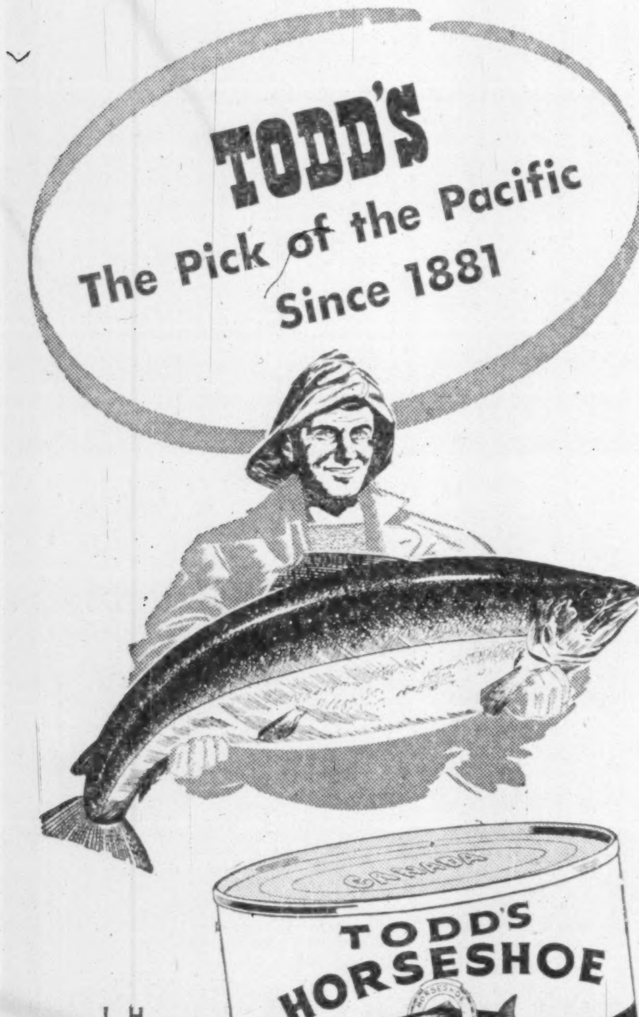

J. H.
Todd & Sons Ltd.
Victoria, B.C.

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For information on particular requirements, ask your Crane Branch, or write direct to:

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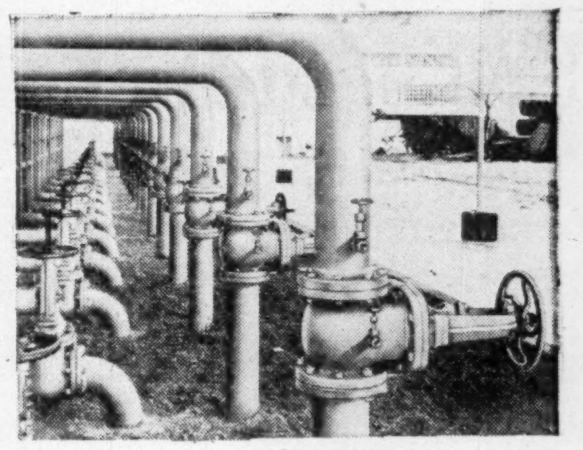
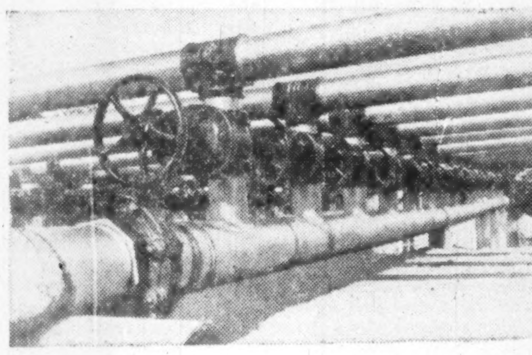
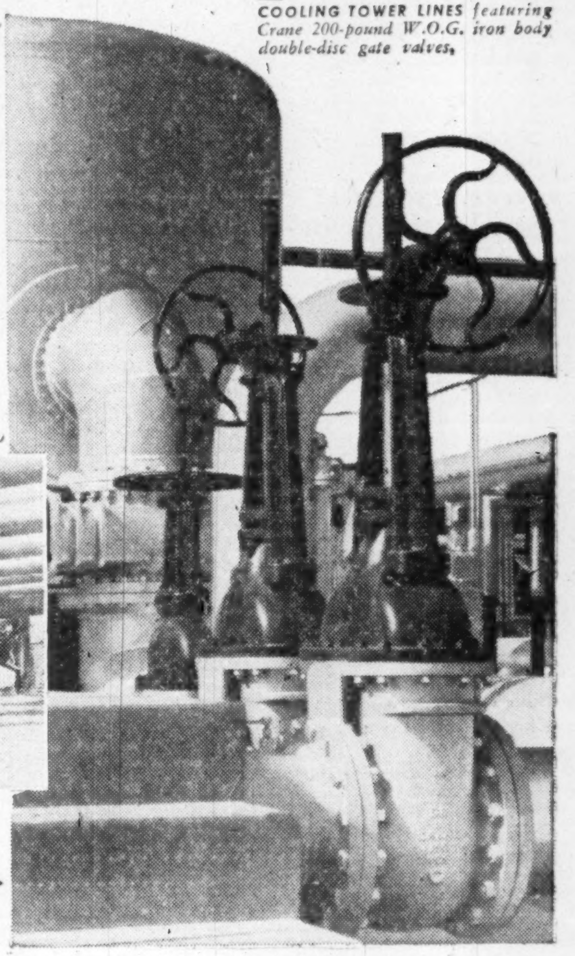


▲ COOLING TOWER LINES *featuring Crane 200-pound W.O.G. iron body double-disc gate valves.*



▲ CRANE VALVES *and fittings on manifold in field gathering system.*



GAS LINES *in natural gas plant, equipped with Crane 16-in. 150-pound W.O.G. iron body gate valves, gear operated.* ▶

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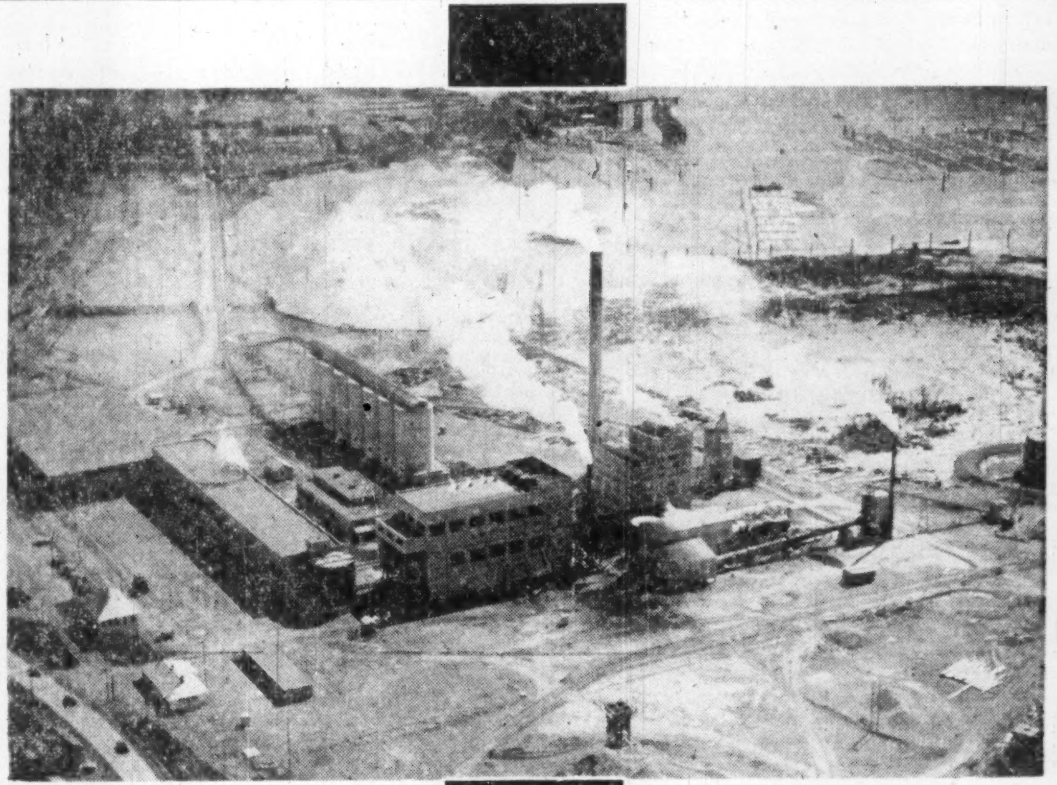

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British Columbia Bridge and Dredging Company offers under a single direction, skills of highly varied and specialized natures, ample to execute ALL phases of construction work.

With its associated companies, it has total resources in personnel to handle projects of any magnitude.

Data on experience, resources and personnel readily supplied. Write W. G. Mackenzie, President, British Columbia Bridge & Dredging Co. Ltd., Vancouver, B.C.

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Some recent construction work by British Columbia Bridge & Dredging Co. Ltd.

Pulp Mill at Port Alberni, B.C. for Bloedel, Stewart & Welch.
Extensive plant development for Powell River Paper Company.
Rock Excavation of Port Edward, B.C., for Columbia Cellulose Company.
Pulp Mill at Nanaimo for H. R. McMillan & Co.
Hydraulic Dredging for Dominion Government, Fraser River.
Sub aquos rock drilling and dredging, Dominion Government, Victoria.

$38.4 Millions Capital Spending In B.C. Budget

Roads, Schools, Railways Get Big Expansion Share

Finance Minister Herbert Anscomb of British Columbia this month presented his fourth budget speech at Victoria.

It was another display of the kind of business and government investment confidence which has brought the Pacific coast province unprecedented growth in the past few years and which appears to promise yet more expansion ahead.

At about the same time, in a statement to The Financial Post, Mr. Anscomb forecast continued peace and prosperity for Canada and his province.

"British Columbia's past ten years have brought tremendous social and economic advance," he said. "A strong flow of capital into industrial and mercantile ventures has been coupled with public development in hydro-electric, highway, and related construction, has resulted in a very substantial increase in wealth and a large inflow of population.

"In today's unsettled state of the world it isn't easy to see just what the next ten years may bring. But most of us here expect our material prosperity to continue and advance. And there's a good deal of confidence that a reasonably secure peace may emerge out of today's confusion and bickering.

"Capital investment continues at a high level. Employment generally and the state of business are on the whole satisfactory. If we will work for it we can have in the second half-century a prosperity undreamed before."

Big Building Program

Here are highlights of the new B.C. budget.

Capital spending of $38.4 millions plannned for roads, schools, railway construction, provincial and university buildings, Okanagan valley flood control.

Ordinary spending $105.5 millions, over $94 per capita.

For the year ending this month, Mr. Anscomb reported spending of $105.3, which is $13 millions more than estimated a year ago. In addition, he said, the government spent $32.5 millions from borrowings and previous revenue surpluses, of which just over $30 millions was for capital projects.

There are no new taxes. Revenues are believed at peak.

Every department, the minister warned, must stay strictly within appropriations and make economies wherever possible.

The net provincial debt at December 31, was shown at $146.1 millions, up nearly $18.5 millions for the year, most of which was spent for roads, bridges and buildings.

Mr. Anscomb pointed out that net debt had been reduced from $190.83 per capita in depressed 1933 to $131.15 and the average interest rate stood at 3.28%. In addition, debt charges now take only 13% of the budget, as against 30% in 1939-40.

Value of sinking funds at December 31, was just over $30 millions, an increase of just over $4 millions from the year before.

Revenues from sales tax this year are expected to reach $24 millions, as against the government's original guess of $12 million a year.

Some of the major increases in the budget for next year are:

—$2.8 millions for debt charges to cover new borrowings;

—$3.5 millions for the Dept. of Health & Welfare, including a deficit of $2,545,000 in the hospital insurance service;

—$630,000 more for education;

—$1,750,000 more for cost of living bonuses.

B.C. Business Pace

The finance minister summarized the government view of Canadian west coast business conditions.

Income — Preliminary statistics indicate that British Columbia's payroll reached an all time high during 1949 surpassing the previous high established in 1948. Both wholesale and retail sales continued high; the wholesale sales index reaching approximately 333.1 with the value of retail sales reaching about $768,250,000. Sales of life insurance—indicating savings—have shown an increase reaching an all time high of $110,976,000. The population has continued to show a steady increase reaching an official estimate of 1,114,000 at June 1, 1949, but, probably, being much higher.

Production — The net value of production, which includes both the primary and secondary stages of production was well maintained during 1949. Present indications are that the 1949 figure will be slightly higher than the all time high established during 1948. The cost factors of production have continued to rise; wage rates increased moderately and wholesale and retail prices were slightly higher than in 1948. Bank debits in part reflecting rising prices, speculative activity, etc., continued to rise at a moderate rate. Power consumption continued to increase in part reflecting increased industrial activity in British Columbia.

General — The business situation at the close of 1949 by all standard indicators was at least equal to the high levels established in 1948. Current business conditions can be measured by a variety of indicators each of which has its own special value. There are, of course, many forces operating in our economy which may work in opposite directions at the same time. The general trend will move upward or downward, depending upon which of these forces has the greater strength. The present situation would seem to indicate that the two opposing forces are not far from a balance. Where such a condition exists it is only natural to find some sectors of the economy ahead of last year while others are behind. Thus, while employment was off slightly, aggregate payrolls and average weekly earnings were well ahead of 1948 figures. It would seem, therefore, that over-all purchasing power was higher in 1949 than in 1948. The basic industries seem to have lost ground to some extent in volume of production with timber scaled, fish landed, and gold production, all being down from last year. However, average prices for the year increased and in some cases will counterbalance the decreased volume of production.

Value of external trade passing through British Columbia Customs Ports was well ahead of the 1948 figure.

Internally retail sales were up in dollar value, but when deflated for price increases, there seems to be little difference in the physical volume of sales between the two periods. There can be no doubt, but that 1949 was a year of great economic activity in British Columbia; however, there are indications that this activity is levelling off.

The short term picture in British Columbia points to a continued high level of business activity, but the long term picture, while not being too clear, does not appear quite as favorable as British Columbia's economy is so tied up with world markets and world conditions. Our future, to a considerable extent, would seem to rest on a solution of the marketing problems for our exportable surpluses.

On Housing

"The Government of the Dominion recently has passed legislation enabling provinces to join with the Dominion in assisting housing needs within municipalities. The basic arrangement provides that the capital costs and any possible subsequent losses will be borne 75% by the Dominion and 25% by the province.

"The legislation passed by the Dominion is permissive in character and covers a wide field of assistance. To enable this Government to enter into an appropriate working agreement within the scope of the Dominion Act corresponding provincial legislation will have to be passed by this Legislature.

"It is my understanding that neither the Dominion nor the Province is anxious to engage in housing activities—certainly I am not—such as would interfere with the normal construction of new houses from private sources, and that priority would be given to the kind of financial assistance that would promote increasingly the supply of new houses through ordinary channels. As a particular instance of this would be the assembly of lands and their improvement so as to fit them for residential purposes.

"The legislation to be submitted contains provisions for the borrowing of $5 millions to be applied in meeting the 25% share required from the province; it will contain also a provision for the establishment of a revolving fund that will enable, if so deemed necessary and expedient, the use of repayments, rental fees, or other revenue for like purposes as the original amount borrowed.

On Land Assessment

"Our taxing statutes have been administered with considerable efficiency and plans have been made for still further improvements.

"Land values are of course subject to wide variations, and this coupled with the growth of population has made our problem of assessment a very real one. It is a field that has been rather neglected, both provincially and municipally, in years past, but I now feel that we are reaching the point where a very considerable measure of equalization exists in provincial territory. The officials in the Surveyor of Taxes office, and the assessors in the field, have established a pattern of assessment that is legally and equitably sound.

"The administration of gasoline taxation has been improved. By the introduction of colored gasoline, many of the difficulties and annoyances connected with refunds for nonhighway use have been removed. Certain administrative changes designed to improve enforcement will be requested of the House this year, but on the whole the Act has fulfilled our expectations.

"Undoubtedly, the most widely publicized of our taxing statutes has been the Social Security and Municipal Aid Tax Act. The return from this source has exceeded our expectations, reaching as it will probably $24 millions in this present year and in the next fiscal year.

"As this House is aware, the proceeds of the tax are divided, two-thirds for the Social Security Fund, and one-third for municipalities on an unrestricted basis. It must be quite obvious to any student of municipal or provincial affairs that neither branch of government could have carried on without this impost. The municipalities will receive close to $8 millions and the balance will be applied by the Province toward the vast social security program now carried out.

"Department of Public Works ($15,264,472.) — The large reduction of $1,338,238, from 1949-50 is accounted for principally by: maintenance of Parliament Buildings, $43,000; maintenance of other government buildings, $109,000; roads, bridges, etc., $774,000; sundry works, $13,000; Okanagan flood control, $30,000; miscellaneous flood relief and control, $441,000; municipal drainage and sewerage, $21,000. The cost-of-living bonus, however, is up by $111,000; and other increases include grants to cities over 15,000 population, $40,000 and highway signs, $25,000.

"In the past I have drawn attention to the great advances made on highway maintenance in the postwar years. In ten years, our expenditures for these purposes, including hard-surfacing from current account, have risen from $2,829,762, to the $12,057,650, now being provided in the current budget, of which $3,360,000, is from gasoline revenue for hard-surfacing. Continued high costs and unfavorable weather conditions in the past winter have prevented accomplishment of much work considered desirable."

65% of Pre-1935 Jalopies Can't Pass Vancouver Test

From Our Own Correspondent

VANCOUVER — Vancouver's testing station keeps an eagle eye on jalopies and rejects them with a growing rapidity.

During February, 65% of the cars of pre-1935 vintage were rejected on their first test, and owners were made to return until they were properly adjusted.

Of the 11,434 inspections made during the month, 37.5% of all vehicles tested were rejected on their first inspection. Models between 1945-1949 showed 25.9% of rejections on the original test.

Among the main reasons for rejection are: headlights out of adjustment or too weak; foot brake not working; steering mechanism faulty.

Vancouver motorists are required to have their cars tested each six months.

Cost of the examination, which includes special brake machines, steering devices and general condition tests, is 75 cents for the first time. If the car is faulty, the driver is given a rejection slip and he is required to return with his car in order. If he ignores this, he faces a summons.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN REFRACTORIES LTD. 1949 net profit was off moderately at $192,079 ($225,033). Some reduction in export sales is anticipated in current year. Sales in Canada are expected to continue at approximately their present levels, President N. P. Pitt states. Profits of Dolomite Refractories Ltd., in which the company holds a substantial interest, were reasonably satisfactory and outlook for 1950 is said promising.

Decline in profits from last year is said mainly due to higher charges for depreciation. Since close of fiscal year a further sum of $60,000 has been paid off the term bank loan, thereby reducing this liability to $420,000.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$523,911	$521,426
Less: Depr.	212,832	166,393
Income tax	119,000	130,000
Net profit	192,079	225,033
Less: 4½% pf. divd.	22,500	22,586
Surplus for year	169,579	204,447
Earnings per Share and Dividend Record:		
4½% Preferred	$38.42	$45.01
Paid	4.50	4.50
6% Preferred	42.39	51.11
None paid.		
Common	29.12	36.09
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$210,835	$81,165
Accts. rec.	373,813	435,738
Inventories	783,022	811,268
Total curr. assets	1,367,670	1,328,171
Prep. exp.†	3,100	6,156
Dolomite Ref. shs.	48,900	48,900
Misc. assets▲	14,764	32,233
Fixed assets*	1,217,290	1,281,120
Total assets	2,651,724	2,696,580
Bank loan	......	24,000
Accts. & tax. pay.	333,232	463,874
Total curr. liabs.	333,332	487,874
Deferred liab.	420,000	480,000
Capital stock	946,832	946,832
Earned surplus	951,560	781,874
*After depr. of depl.	1,424,477	1,330,333
▲Incl. ref. EPT	8,706	12,002
†Shown as current assets in co's report.		
Working capital	1,034,338	840,297

J. S. MITCHELL & CO. reports net profit of $261,098 for 1949, off 20.1% from the 1948 figure of $326,837.

President J. C. Newman states that on June 1, 1949, $24,000 debentures were redeemed.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$477,998	$559,381
Less: Deprec.	21,025	16,494
Debent. int.	2,609	3,688
Improve. w/o	10,534	10,196
Income tax	182,732	202,166
Net profit	261,098	326,837
Less: Com. divds.	63,750	60,000
Surplus for year	197,348	266,837
Earnings per Share and Dividend Record:		
Common	$17.41	$21.79
Paid	4.00 + 0.25	3.00 + 1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$627,347	$570,300
Accts., etc., rec.	594,273	532,608
Inventories	730,498	679,182
Life ins., c.s.v.	73,693	65,802
Total curr. assets	2,025,841	1,847,892
Misc. assets▲	110,424	149,436
Fixed assets, less depr.	369,938	336,344
Total assets	2,506,123	2,333,672
Accts., etc., pay.	548,263	554,873
Taxes pay.	84,949	104,539
Total curr. liab.	633,212	659,412
Funded debt	48,000	72,000
Capital stock	340,445	340,445
Surplus	1,484,516	1,261,815
▲Incl. ref. EPT	70,408	97,952
Working capital	1,392,599	1,188,480

TAMBLYN'S LTD. net profit of $291,406 for 1949 was up slightly from the 1948 net of $290,338. Record retail store sales of $7,662,460 were up 4.82%. Adding warehouse and agency sales, investment income, rent and other sources gross income totaled $7,805,602. Increased operating costs of stores resulted in a fall in store trading profit from $1,018,952 to $990,971. Operation of more stores during part of the year, and higher depreciation and amortization contributed to higher expenses.

Four new branches were added. President H. G. Browne stated that a number of older stores were modernized and in each case improvement in sales has been noted. The subsidiary, Advance Show Case Ltd., showed improved business.

Annual meeting is March 29.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$599,965	$617,860
Less: Deprec., etc.	122,215	78,378
Invent. res.	......	50,000
Loss on fix. assets	▲2,466	290
Income tax res.	188,810	199,479
Add: Invest. prof.	......	625
Net profit	291,406	290,338
Less: Pref. divds.	20,000	20,000
Common divds.	179,200	179,200
Surplus for year	92,206	91,138
▲Profit.		
Earnings per Share and Dividend Record:		
Preferred	$29.14	$29.03
Paid	2.00	2.00
Common	2.42	2.41
Paid	1.00 + 0.60	1.00 + 0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. bds.	$361,210	$487,472
Accts. rec.	120,781	131,274
Inventories	1,686,532	1,562,238
Total curr. assets	2,168,523	2,180,984
Inv. sub. co.	25,300	25,300
Misc. assets▲	135,011	151,057
Fixed assets*	874,674	776,436
Total assets	3,203,508	3,133,777
Accts., etc., pay.	674,174	687,514
Taxes payable	98,976	108,112
Total curr. liab.	773,150	795,626
Invent. res.	100,000	100,000
Capital stock	540,000	540,000
Earned surplus	1,790,358	1,698,151
*After depr. of	702,527	629,837
▲Incl. ref. EPT	64,695	121,199
Working capital	1,395,373	1,385,358

QUEBEC-WEST SCHOOL COMMISSION, Que. has sold $225,000 of 3% serial 5-year bonds, dated March 1, 1950 and due March 1, 1951 to 1955, to McTaggart, Hannaford, Birks & Gordon, Ltd. Price was $99.76 or a cost to the school corporation of 3.085%. Proceeds for construction of a 19-class college. The provincial secretary has given a grant of $225,000 for this loan payable in five annual equal and consecutive installments of $45,000 each.

KENDALL CO. net profit of $5,123,444 for 1949 was 41.3% lower than the 1948 figure of $8,718,958. Sales dropped from $80,963,989 to $70,986,337. President H. R. Lane stated that earnings of the Canadian subsidiary, Kendall Co. (Canada) Ltd. were somewhat lower after giving effect to exchange losses resulting from devaluation of the Canadian dollar. A new plant is nearing completion in Toronto and is designed for immediate needs and future growth.

FOR 16 YEARS

TRANS-CANADA SHARES Series have been offered to the Investor.

$1000. invested in 1933 plus the reinvestment of all dividends until 1949, has now a market value of $3600.00.

Investors OWN in ONE security an interest in the following companies by buying TRANS-CANADA SHARES.

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They Buy It When It Is Advertised In
THE TIMES

Things sell quickly when they are advertised in the Victoria Daily Times for two very sound reasons.

First there is the matter of confidence. The Times has accepted its responsibility to serve the community needs fearlessly, honestly and continuously. It has built an abiding confidence in all its columns—both editorial and advertising.

Second there is the matter of readership. As the only evening newspaper published in Victoria, the Times enters the houses of its readers during their leisure hours, when it is shared as a family newspaper by young and old alike. It's "The Home Paper" with the whole family readership.

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Victoria Daily Times
"THE HOME PAPER"

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BRITISH COLUMBIA'S
PULP & PAPER INDUSTRY

HAS INVESTED

In British Columbia in present operations	$134,500,000
With additional plants under construction totalling	$100,000,000

PRODUCES—(Per Annum)

Merchandise worth	$ 73,700,000
Representing 14% of the Value of B. C.'s entire industrial output	
Of which approximately 80% is exported to United States producing U. S. Dollars totalling	$ 59,000,000

SPENDS—(Per Annum)

For — Goods and Services — over	$ 35,000,000
— Wages (excluding woods operations)	$ 17,000,000
— Taxes	$ 9,300,000

EMPLOYS

10,000 British Columbia workmen in plants and woods operations

ONE OF B.C.'s LEADING INDUSTRIES

Here Are Growing Communities in B. C.

Canada's growth is reflected in the strength of her communities, large and small. The Financial Post presents here a report on growing cities and towns of British Columbia, compiled with the assistance of Chamber of Commerce and Board of Trade officials.

Vancouver

Population—385,000 (Greater Vancouver, 536,000)

Building Permits:	No.	Value
1939	3,911	$6,253,796
1949	11,682	$48,707,667

Once highly vulnerable because of its dependency on natural resources, Vancouver is steadily increasing its resistance to economic shock.

A few years ago, loss of foreign markets or a sharp drop in domestic demand for British Columbia's raw products would have quickly laid Vancouver low.

Today the city's industrial constitution is far stronger and better able to withstand the virus of depression.

The prescription: spectacular development of widely diversified secondary industries.

Says the Vancouver Board of Trade: "The biggest postwar gain in B. C. and Vancouver in particular has been in the small and middle-sized industries. Hundreds have sprung up during the last five years . . . They have added a gread deal to the solidarity of our economy."

During the war and since, Vancouver has gone through an economic transformation: from being almost entirely dependent on primary industry—lumber, fishing, agriculture—to an industrial structure thoroughly reinforced with secondary industries.

The boom in this new field covers a wide area: machine shops, manufacturing of all kinds; building materials, plywood, roofing, food processing and some heavy machinery.

Coupled with this spectacular development is an equally impressive expansion by well-established industry both inside and outside primary products.

Outstanding examples:

B. C. Electric's $50 million expansion, modernization program.

B. C. Telephone's $35 million program.

Multi-million development in pulp and paper.

$25 million cellulose plant at Port Edwards.

All these are having a direct effect on the economy of Vancouver as it is the distribution hub for the province and, in many cases, the head office of expanding industries are located here.

They should not only serve to expand the types of secondary industry which already exist but should also do much to give a boost to the growing chemical and light metals industries.

Perhaps one of the city's best economic barometers is housing. Number of permits issued in 1949 (11,682), for example, topped 1948 by nearly 3,000. And no substantial decline is expected in 1950.

In fact, the building boom may be bigger still. Now before the B. C. legislature is a bill to empower the province to enter into agreements with Ottawa on housing.

This, with the possibility of lower down payments under a government-sponsored housing program, is strengthening the belief in many quarters that 1950-51 building could easily exceed the 1949 record.

An integral cog in the city's fast-moving economic machine is the Board of Trade and its 1950 president, Col. William George Swan. An engineer, Col. Swan was born in Kincardine, Ont., is a graduate of the University of Toronto and went to B. C. in 1909. He designed and supervised Pacific Coast Terminals, Pattulo Bridge and was associate engineer on the famed Lion's Gate Bridge.

Like many other Vancouver boosters, he is confident that if current industrial development is maintained and proposed projects materialize, the next ten years will see a continuation of the tremendous expansion which has occurred so far in the postwar period.

COL. W. G. SWAN
President, Vancouver Board of Trade

Trail

Population—13,500

Building Permits:	No.	Value
1939	133	$ 139,861
1949	223	1,032,687

Expansion and modernization by Consolidated Mining & Smelting Co. is making good progress. The $12 million lead smelter modernization program has made itself felt on the Trail horizon through completion of a 286-ft. stack on a 40-ft. base.

Consolidated Smelters is spending a further several millions on a variety of new undertakings, and has provided $500,000 for the new arena.

Mr. Thompson

Completion of 210 new dwelling units in 1949 took care of what remained of the worst of the housing shortage, and so major activity along this line is expected in 1950.

Cominco research chemist J. B. Thompson, president of the Board of Trade, was educated at Brandon College; is president of Trail Arts and Crafts Association; follows hobbies of curling and golf. Official Cominco title is superintendent of development and research for the chemical and fertilizer division.

New Westminster

Population—34,000.

Building Permits:	Value
1939	$1,177,750
1949	1,650,505

Its prosperity based on the primary industries of forests and fishing, New Westminster is particularly sensitive to world trade conditions. One reason: in 1947 it ranked sixth among Canadian ports in value of exports, with more than $130 millions shipped out.

B. C.'s second-largest industrial centre, the Fraser River "deepsea freshwater" port has expanded steadily, with its population up 50% since 1941. Significant in its relation to the fishing industry, it is the headquarters of the International Pacific Salmon Fishing Commission.

While no new industries have been added during the past year, postwar establishment of such industries as American Marietta (synthetic resin glue) and Canadian Forest Products (hardboard from waste in plywood operations) have increased industrial diversification. Servicing of the logging, lumbering and fishing operations also make for a variety of small industries.

Active president of the Board of Trade this year is H. L. W. Tupper.

Nelson

Population — 9,000.

Building Permits:	No.	Value
1939	241	$151,082
1949	336	257,683

CPR divisional point and repair centre, Nelson is rated a most important distribution point between Vancouver and Calgary, serving a large area in southeastern British Columbia.

Mining and lumbering in the vicinity continue to expand, accelerating the growth of distribution services and servicing facilities.

Mr. Rosling

More than 50 new homes were completed last year.

Continuing to grow as a major international attraction to the mountain community is the fame of its civic centre, combining five-sheet curling rink and arena with artificial ice; movie theatre, library, meeting rooms and recreational facilities.

The annual midsummer bonspiel and the Mary Rose Thacker figure skating school attract curlers and skaters from many parts of Canada and the United States.

Realtor - insurance man, Terence D. Rosling, president of the Board of Trade, is also operator of a modern tourist court. Is a past district governor of Kinsmen, served two years as alderman, and is West Kootenay representative on the B. C. Tourist Council. Married, has one son.

Cranbrook

Population—5,000

Building Permits:	No.	— Value
1939	62	$29,890
1949	115	409,525

Expansion is expected in the lumbering industry and also in production of electrical power in Cranbrook area. Surveys are being conducted and concrete plans are expected in the near future.

Postwar housing situation difficulties have eased considerably through construction of new homes. During the past year, 25 permits were issued and in addition 30 veterans homes were constructed. A volume equal to 1949 is expected again this year.

Mr. Millar

Construction of a new skating rink was started and with the passing of a bylaw authorizing the borrowing of funds, completion is assured. Construction of a new Junior-Senior High School is expected to commence shortly at an approximate cost of $700,000.

A wholesale plant for the distribution of propane gas was opened during the past year and is gradually adding to its list of customers. A manufacturing unit for the manufacture of oxygen and acetylene was set up and should start production in the near future.

President of the Board of Trade is Walter Millar, who came to Cranbrook in the early years of the war and operated a transit service between Cranbrook and Kimberley, now running a tri-daily service between these points. In 1939, in partnership with a brother-in-law, Mr. Millar purchased a transfer and fuel sales business which has since expanded into a truckline service between Cranbrook, Kimberley and Vancouver.

Duncan

Population—13,000 (including suburban area).

Building Permits:	Value
1939	$ 80,250
1949	1,146,385

Improvement and expansion of the logging and lumber industry operations in the Duncan area have marked developments in recent years, sparking the growth of the district around Lake Cowichan in the interior of Vancouver Island.

A recent addition to the servicing facilities of Duncan has been the Island Ice & Cold Storage Ltd.

To keep pace with population growth, 53 new houses were built in 1949. Permits have been issued for several new schools in the area, and construction work has begun on some.

Victoria

Population—61,400

Building Permits:	Value
1939	$805,470
1949	$11,542,223

Capital of the province, Victoria looks to an upsurge of industrial expansion in 1950, following modest expansion in the postwar period which has seen 75 new plants established in and around the city. An active campaign is under way to promote expansion in 1950 and greatest development foreseen is in the construction field.

The greater Victoria area includes Oak Bay, Saanich, Esquimalt and a number of other communities not yet organized now totals 115,450, according to the Victoria Chamber of Commerce 1949 estimate.

Mr. Miles

Value of building permits for the entire area in 1949 showed considerable increase over 1939: $16,280,594 as against $1,894,770.

In housing 1,029 houses and apartments were completed in 1949 and 1,164 started.

The list of new businesses and industries started in the postwar period shows considerable diversification: 21 furniture and woodworking establishments; seven bakeries; seven tailoring establishments; four plastics firms; four printing houses; four fur manufacturers; three venetian blind manufacturers; three machine shops; three sheet metal works; three confectionery firms; each one in beverages; blacksmiths; laundering; luggage; lumber; meat canning; metals; picture frames; novelties; silver; soap tents; textiles.

Largest of these developments is Felt & Textiles of Canada Ltd., established in Victoria in 1948.

Among industries set up in Victoria proper in 1949 were: Spudnuts (bakery); B & A Candy Co. (confectioners); Richardson's (meat canners); Polyplastics Ltd. (plastics); George A. Painter (sheet metal); Owen Fowler (soap); Style-Tex Venetian Blind Co. (venetian blinds); four tailoring firms; four furniture and woodworking establishments; one blacksmith.

The first two months of this year have seen four new businesses established: Victoria Roofing & Insulation Co. (plastics); a tailor, a printer and a picture frame maker.

More than 480 fishermen use Victoria as their headquarters, landing around 20 million lb. a year. Small fruits, vegetables, bulbs and flowers and dairy and poultry farms support the agricultural population of 3,000 families in the area.

Chamber of Commerce president is Walter S. Miles, secretary, Victoria Tug Co. and agent for Union Steamships Ltd. He's a grandson of one of the earliest settlers in Victoria when it was a crown colony, is active in fraternal and service work.

Dawson Creek

Population—3,500

Building Permits:		Value
1949	99	$811,000

Mile Zero on the Alaska Highway, Dawson Creek is showing enterprise and initiative that bodes well for its future.

An extensive search for gas and oil is under way in the district. Local businessmen are attempting to promote a nearby gas well so that natural gas may be piped into the town.

Mr. Topham

Completed during the past year was the Junior-Senior Composite High School, at a cost of $700,000. It has an average attendance of 400 students. Soon to be put to a vote of the taxpayers is the proposal for a new elementary school. Construction has also started on a $100,000 arena.

Dawson Creek is the centre of the immense trucking industry plying the Alaska Highway to Whitehorse, Yukon and Fairbanks, Alaska. A seed growing region, too, it is the terminus of the Northern Alberta Railway and for the British Yukon Navigation Co. operating a bus and truck fleet to Whitehorse.

With unlimited coal deposits in the region it is anticipated the Pacific Great Eastern Railway will be extended into the town within two or three years, thus giving an outlet by rail to the Pacific coast. The Hart Highway from Vancouver to Dawson Creek is also in the process of being completed.

As a measure of its business activity, two department stores reported gross annual earnings of $1 million each.

Board of Trade president is Walter Topham, a native Manitoban and manager of the local branch of the Bank of Toronto.

Port Alberni

Population — 13,500 (port proper and district)

Building Permits:	Value
1949 - port	$715,006

Sulphite mill of Bloedel, Stewart & Welch Ltd. completed in 1947 to utilize mill waste, is now operating at capacity of over 200 tons per day.

Four firms are engaged in logging and manufacture of lumber and lumber products — Bloedel, Stewart & Welch Ltd., Alberni Pacific Lumber Co. Ltd., Tahsis Lumber Co. Ltd., and Sproat Lake Sawmills Ltd. These firms have over 3,000 persons in their employ.

Jump in population of 5,700 over the 1949 figure has brought a program of house building and prospects of hospital and school expansion with expenditures of $600,000 and $1,600,000 respectively likely to be spent on the latter two.

In 1949, 28 new dwellings were constructed at a cost of $109,636, additions at a cost of $15,850 and alterations $14,590. House building in 1950 should easily exceed 1949 which was considered a poor year.

Keeping a watchful eye on the progress of this Vancouver Island town is Chamber of Commerce president, A. C. Pitt Clayton, airforce veteran and for two years Director of Demobilization at Ottawa. He is district agent for Imperial Oil Ltd.

Fort St. John

Population—1,800

Building Permits:	Value
1949	$27,000

Spearhead of Northern B. C.'s frontier agricultural district is the community of Fort St. John.

In adjacent territory, lumbering and coal mining are expanding, the main operating companies including Fort St. John Lumber Co., Reschke Coal Ltd., Peace River Coal Mines Ltd., and King Gething Mine.

Trucking business to the railhead 50 miles south has flourished, and greater expansion is expected. Army and construction camp houses, skidded in off the Alaska Highway, eased temporary housing shortage, and last year 15 new homes were built.

Frank E. Spicer, owner of a large bakery, is Board of Trade president. Resident of Grande Prairie for 28 years, he moved to Fort St. John a year ago and has always been active in promoting the interests of the Peace River area. An ardent curler, this year marked his 30th consecutive year in the Spirit River bonspiel.

Powell River

Population — 12,000 (including suburbs).

Home of the Powell River Co., newsprint and pulp and paper products, on the B. C. coast 75 miles north of Vancouver, Powell River and the surrounding territory have enjoyed steady growth in the postwar period.

Begun in 1908, in production in 1912, the Powell River mill is today one of the largest individual newsprint producers in the world, with capacity which recently went over the 1,000 tons a day mark. In addition to pulp and newsprint, the company manufactures building, wrapping, roofing and fibreboard papers.

During the war, Powell River was the largest single shipper of airplane spruce, used extensively in making Mosquito planes.

Lumber production for the mill and sawmill are the key to the area's progress, with mining and fishing also active. Residential suburbs of Westview, Cranberry Lake and Wildwood have kept pace with the area's progress.

VANCOUVER BRIDGE will be ¾-mile long, cost $8 millions. Construction will start this year if city gets provincial and federal commitments for money contribution. The bridge will span two ship channels separated by Granville Island.

B. C. COAL OUTPUT in 1949 amounted to 1,810,198 short tons, fractionally up from 1948 according to the provincial Dept. of Mines.

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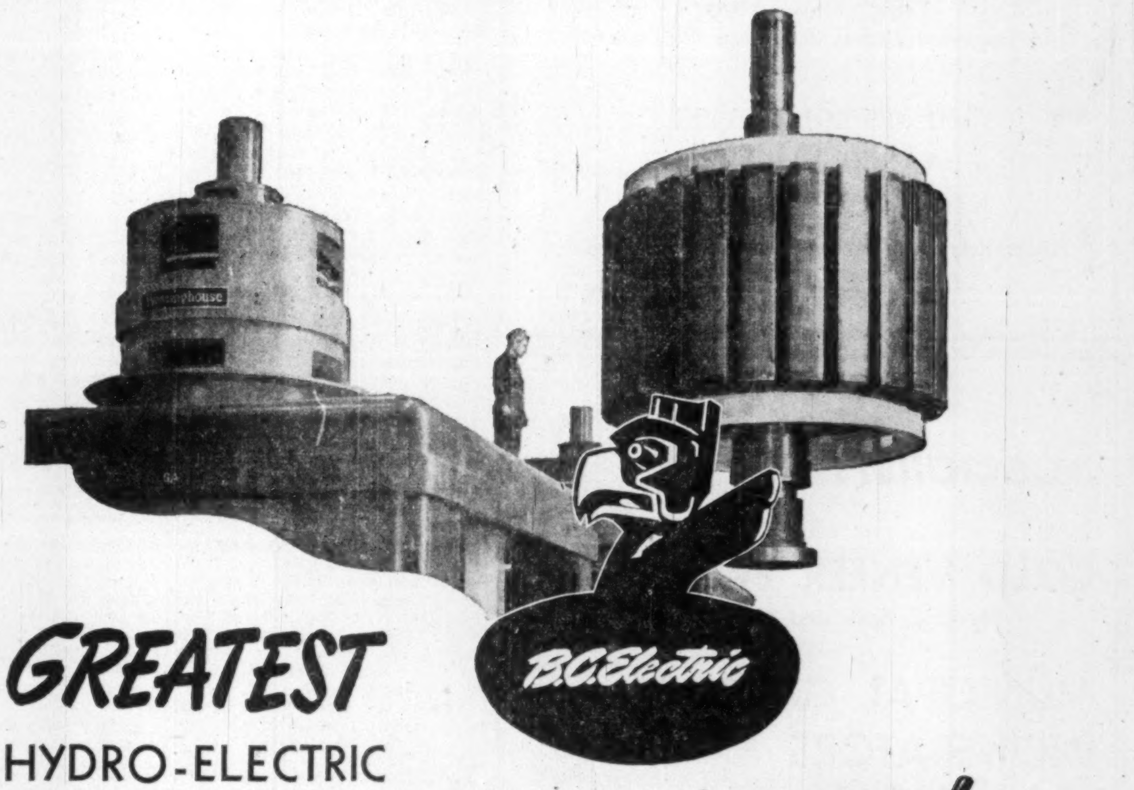

GREATEST HYDRO-ELECTRIC DEVELOPMENT IN THE WEST!

In December, 1949, the third generating unit was put into service in the B.C. Electric's Bridge River Hydro-Electric Development. When a third unit is completed at the Ruskin plant this year, the B.C. Electric will be able to supply twice the electrical energy it had available in British Columbia's Lower Mainland area in October, 1948.

To keep pace with the unprecedented growth in this area, the B.C. Electric has accomplished in four years what would normally be undertaken in a decade.

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Fishing Industry Plans Sales Drive

Scientific Equipment, Year-Round Operations for Volume

B. C. LANDS MOST SALMON, HALIBUT
(Main Sea Fish—Kinds Landed Canada 1946)
Source: Dept. of Fisheries for Int. Labor Office

	cwt. 000	% in-shore	% W. Coast	Sales Val. $ millions	West Coast Main Season
Cod	3,267	59	1	21.7	
Haddock	347	48	0	2.5	
Hake	259	96	—	1.6	
Pollock	283	92	0	1.3	
Halibut	195	17	92	4.4	May to end quota
Herring	3,736	100	57	17.3	September-March
Mackerel	295	100	0	2.1	
Sardines		100	0	4.2	
Salmon	1,515	100	99	25.2	July-November
Clams	203	100	24	1.1	
Lobsters	383	100	0	14.5	

THE MEN† AND THEIR WATERCRAFT CANADIAN SEA FISHERIES
Source: Dept. of Fisheries, for Int. Labor Office

	Carrying boats, smacks, fish "packers" No.	Men	Men fishing without boats	Fishing vessels & boats	Men
Canada	442	768	2,663	31,908	47,998
B. C.	279	462	.....	8,596	13,292

†Many part-time.

A gaunt whale-killer vessel berths at dawn in Vancouver's Coal Harbor to disgorge a thousand tons of the biggest deepsea fish in the world.

At the same moment in a hundred fishing ports on the 7,000-mile coastline between there and Prince Rupert, thousands of men and thousands of watercraft are in- or outbound with salmon, halibut or herring for processing by other thousands of men and women in the world's longest "cannery row." The meat and offal worth $60 millions a year will make food, feeds, oils and industrial chemicals for stomachs and factories across half the world.

That's Canada's West Coast fishery, with its $15 to $35 millions annual "silver horde" of salmon, its huge fleets of smallcraft, from 700 ton draggers and stubby, powerful tugs to smacks and rowboats, and its hardbitten, deft men of the sea and factory.

That's the romance of B.C. fishing, the outward seeming.

For men who fish and to other thousands processing and packing the catch there are realities, some hard and unpleasant.

Fish runs are often off schedule. Sometimes a particular species fails to appear for a season or more or is steeply off in quality or numbers. Here and there a labor dispute will disrupt operations. Or a long spell of dirty weather.

Salmon Sales Off

Today, it's market trouble. Export buying and prices have faltered with rising severity of dollar shortage in traditional "soft currency" markets.

B.C. fishing industry management and government officials don't attempt to minimize concern over the trend. They readily admit salmon exports and unit prices are down; readily admit they can't clearly see the shape of demand in 1951 or 1952 and that some anxiety on that score is warranted.

STEEP CLIMB IN VALUE OF BC CATCH SINCE '20
(millions of dollars)
Source: DBS

1920	22.3	1937	16.2
1923	20.8	1940	21.7
1926	27.4	1943	32.5
1929	23.9	1946	43.8
1932	9.9	1948	58.6
1935	15.2	1949 (est.)	58.0

Little hope is entertained of any early, substantial rise in bulk purchases by the British foods ministry, even with ECA money virtually assured for the next 2¼ years or so. And no scheme of important value has yet emerged to replace ECA dollars when that flow peters out, slated for 1952.

So the industry is newly promotion-minded. It's driving harder to sell the home and U.S. markets, to improve processing and shave costs, to "reduce" more of the catch as industrial products and to find new by-products through research.

Despite market uncertainty, sales right now are called high and "relatively stable," prices "fairly firm" after the recent slip.

Export buying, though down, is continuing "on a substantial scale." For example, a preliminary agreement calling for U. K. purchase of $5 millions of B.C. canned salmon has been announced by the canning industry, including all varieties except Chum.

"We hope to sell all of our current production," was the way the president of a leading fishing and packing concern put it to The Financial Post. And he added:

"We aren't gloomy. We've got our market thinking caps on. And some new hopes are emerging. For example, there is growing expectation in the industry that the Belgian market will be reopened, that there is decent prospect in that quarter for substantial B.C. fish orders.

"Oil producing countries in the Near and Middle East, a relatively unexplored market for Canadian fish, have plenty of dollars.

"And we're out to sell Canadians more effectively on the money, taste and nutrition advantages of eating B.C. fish."

Fish promotion by the Canadian and B.C. industry and by Ottawa's Dept. of Fisheries is by no means new. What's new, according to the B.C. industry, is that it's going to be stepped up.

"There's nourishment and good eating, dime for dime, weight for weight in a can of salmon. We're going to put that idea across in a big way.

"We'll take the fish as they run. We'll sell and ship the whole catch. That goes for this year. It goes for next year and the year after."

So, with vigorous purpose, speaks the industry, its sales and prices off from recent record highs, its promotion sights elevated accordingly.

And that may mean continued big-scale advertising in Canadian and American publications. The B.C. industry last year spent $600,000 on salmon advertising, the head of a top fishery company told The Post.

"It worked," he said, "worked famously. Canadians are eating more salmon. They'll eat a lot more still. It's good for them and good for one of Canada's major job-giving and spending industries."

Science on the Deep

Technically, this particular fishery is just about the world's most progressive. The B.C. industry points with pride to its two-year-old hunting technique to locate fish shoals by radio echo sound, something like "asdic" used in submarine detection. Literally scores of the larger vessels on the coast—most of those of the larger firms, in fact—have been so equipped.

"Catching efficiency has improved enormously with modern gear like that," one skipper told The Post. "And our coast is the most modernly equipped in the world."

The marine branch of the industry, with a catch valued last year at over $25 millions (gross estimated for the whole industry at around $58 millions after processing) has made important operational as well as technical advances in recent years. (The $25 millions for the 1949 catch is down about $4 millions from 1948.)

Twenty or so years ago, B.C. fishing was a four- or five-months operation, with buying suspended and men laid off for something like two thirds of the year. Now, like forestry, it's on a year 'round basis. The answer is twofold: (1) better organization and equipment to "swim with the fish" in the varying seasonal and cyclical movement of the several major species; and (2) an integrated and diversified industry, with a new wide range of processing and by-products.

So it has been in B. C. forestry in the same period. Years ago loggers' operations were timed with sawmills alone. A few months in the woods, then shutdown. Now the coast's pulp and paper mills, plywood and door plants, added to the sawmills keep loggers in the woods 12 months of the year.

Big Coast—Big Catch

Fishermen and their watercraft aren't idling in harbor during November-July. Wharves are busy refitting for the halibut run to start weeks hence (May). Or the men and boats are still out for herring, or just in and unloading as the season for that fish ends (now).

Those are the big catches on the B.C. coast. In point of weight volume taken, herring heads the list. But when it comes to value, salmon is star of the piece. Salmon landed in 1949 amounted to 144 million pounds, down 1.3 million pounds from 1948 with a drop in the fall catch of Chum, partly offset by a big rise in Pinks. The 1949 landed value of $16 millions is down $4 millions from 1948. These figures are from the Canadian Government Dept. of Fisheries publication "Trade News" for December, which says: the drop in salmon prices together with heavier landings of lower-priced salmon species were the factors responsible for decrease in total landed value.

Ups and downs are nothing new in salmon. Price and volume change over the years is just about the most outstanding characteristic of that fishery. Its gross value of production was around $25 millions in both 1945 and 1946, then $35.7 millions in 1947. That's with processing added, not comparable with "landed value," but it shows how variable the business can be.

The coast of B.C. is 700 flight-miles long but so deeply and often indented by bays and inlets, mostly navigable and fish-filled, that actual coastline measurement runs about 7,000 miles or nearly twice Canada's transcontinental span.

Many islands form a natural breakwater against the direct onslaught of the Pacific; provide sheltered waterways fringed with vast feeding grounds for salmon, halibut, cod, etc., which are native to these waters.

Commercial salmon canning on the coast is 80 years old, began first on the Fraser River about 1870. With depletion of salmon fisheries of the lower coast, centre of the industry moved north to the Skeena and Nass, although the intervening Pacific waters produce tremendous wealth in the five varieties of Pacific salmon.

Fraser Comeback?

The $1 million fishways construction program in the Fraser is an almost spectacular example of man's assistance to nature. It's hoped that this international conservation project will restore at least some of the southern coast area's former salmon prominence. The new Fraser fish "ladder" also exemplifies government spending of large sums on fish research, propagation and removal of hazards in spawning streams.

Says a government report on the unique fishway:

"International co-operation and high skill of scientists and engineers have opened the way to restoration of the once great sockeye salmon of B.C.'s Fraser River system. Restoration of the Fraser 'run' will add many millions of dollars to future earnings of Canadian and U. S. sockeye fishermen."

The fascinating story goes back to 1913 which was a big run year for the sockeye. In that year a railway construction project was in progress along the Fraser when a huge face of granite, weakened by railbed work, crashed into the river at narrow Hell's Gate, about 150 miles upstream. The great slide occurred before the salmon had made their way upstream to the spawning grounds. Tons of rock and debris blocked much of the canyon and many salmon didn't reach their traditional spawning waters.

This was quickly reflected in diminished abundance of sockeye in succeeding cycle years. In fact the Fraser sockeye stocks have never recovered from the effect of man's interference with nature.

World War I and intervening critical years stalled any serious attempt at remedy and it wasn't until formation of the International Pacific Salmon Fisheries Commission in 1938 that constructive action began. Joint Canada-U. S. planning brought a start on the remarkable fishways project in 1944.

Today, the Fraser River scheme, cut through sheer rock walls on the narrow, turbulent gorge, is regarded as one of the outstanding undertakings in the history of fisheries conservation. Already fishery harvests from Fraser sources have improved.

Now the fishing industry, west coast canners and associated industries look confidently to a new era of abundance for the world-famed sockeye.

A hopeful factor for the future of this and the other big-haul B. C. fish species is the recently expressed Canadian Government opinion that there is in prospect a "continued world need for large quantities of fish food."

The big question marks right now: Can B. C. boost sales in overseas markets with dollars and in some without? Can we hold all of our present U. S. market? Can we Canadians consume the catch if we don't sell more outside?

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SARNIA BRIDGE CO. LTD. net profit for 1949 was $205,089, or 32.9% higher than the 1948 net of $154,262. Record sales were established and President W. B. Norton states that, while unfilled orders are smaller than at the beginning of 1949, he feels that construction activity will be maintained during 1950.

Several new agencies were opened in the latter part of the year.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$546,417	$458,389
Less: Deprec.	111,328	80,627
Conting. res.	50,000	50,000
Inc. tax res.	180,000	173,500
Net profit	205,089	154,262
Less: Dividends	67,500	49,500
Surplus for year	137,589	104,762
Earnings per Share and Dividend Record:		
Common†	$1.52	$1.14
Paid	0.30+0.10	....
Paid (old)	0.30	0.80+0.30

†After 3-for-1 stock split in Feb., 1949.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$35,327	$144,367
Accts. rec.	470,014	265,755
Inventories	315,457	252,847
Total curr. assets	820,798	662,969
Def. charges▲	39,034	38,943
Fixed assets*	486,287	456,388
Total assets	1,346,119	1,158,300
Accts., etc., pay.	162,712	161,471
Taxes pay.	122,442	144,251
Total curr. liab.	285,154	305,722
Pension contrib.	45,948	53,606
Conting. res.	125,000	75,000
Capital stock	501,765	501,765
Surplus	388,252	222,207
*After depr. of	507,864	394,494
▲Incl. ref. EPT	10,154	16,686
Working capital	535,644	357,247

BARYMIN CO. showed a drop in consolidated net profit to $10,597 or a half cent a share in 1949 from 11.9 cents the previous year, due to the reduced scale of operations caused by a sharp cut back in oil-well drilling and a program of inventory reduction in Venezuelan oil fields.

"The world oil situation is so obscure it is impossible to estimate the need of the oil industry for our material," C. J. Sanders, president of Canadian Industrial Minerals, the operating subsidiary, reports. However, shipments of barytes to the lithopone and barium chemical industries were resumed at the year end and the outlook for this trade is stated to be reasonably good.

In view of the size of ore reserves, n expenditures on extending present known limits of the company's ore body are regarded as necessary.

Consolidated working capital, including supplies, rose approximately $125,000 to $927,249 in 1949, after payment of 6 cents a share in dividends.

A 28 1/3% interest is held in a gold-silver occurrence in B. C. being financed jointly with Lake Expanse Gold Mines and Noranda Mines. Little work has been done but there is stated to be a length of 900 ft. returning high gold-silver values over widths of 3 to 8 ft. Work will be resumed as early as possible, probably in June. The property is stated to be reasonably close to transportation.

Work is also planned on a group of claims staked in Queylus twp., Chibougamau area.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$51,234	$478,529
Less: Deprec.	35,085	137,012
Royalties	4,065	10,649
Taxes	1,487	75,050
Net profit	10,597	255,818
Less: Divd.	128,460	256,921
Prosp. exp. w/o	29,347	32,079
Deficit for year	147,210	33,182
Earnings per Share and Dividend Record:		
Common	$0.005	$0.119
Paid	0.06	0.12

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. bds.	$515,488	$503,470
Accts. rec.	89,916	21,303
Investments§	45,916	86,955
Other sec.	75,334	75,333
Inventories, etc.	224,005	287,044
Total curr. assets	950,659	974,105
Misc. assets▲	52,781	51,438
Mng. props. & leas.	3,258,404	3,265,578
Plant & equip.*	253,730	271,052
Total assets	4,515,574	4,562,173
Accts. & tax. pay.	23,410	108,989
Divd. pay.	......	64,230
Total curr. liab.	23,410	173,219
Capital stock	175,055	175,055
Capital surplus	3,367,697	3,247,158
Earned surplus	949,412	966,741
*After depr. of	562,763	527,679
§Market value	198,179	337,425
▲Incl. ref. EPT	42,048	42,048
Working capital	927,249	800,886

OPERATING STATISTICS

	1949	1948
Ore reserves,* tons	1,601,241	1,797,013

*Canadian Industrial Minerals.

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Growth in British Columbia according to Dominion Bureau of Statistics:

	Population	Retail Sales $
1946	1,003,000	529,213,000
1947	1,044,000	664,390,000
1948	1,082,000	731,420,000
1949 est.	1,114,000	768,250,000

Increase in Vancouver newspaper circulations according to Audit Bureau of Circulations' Audit Reports, for the past two years:

		Vancouver Sun	2nd Paper	3rd Paper
1948	1st quarter	148,144	97,968	37,808
	2nd quarter	149,568	97,250	39,368
	3rd quarter	151,181	94,735	41,541
	4th quarter	156,307	100,497	37,936
1949	1st quarter	159,939	99,647	35,710
	2nd quarter	162,568	95,485	36,038
	3rd quarter	163,585	93,222	36,852

MILLINE Rates based on latest Publishers' Statements to A.B.C. Sept. 30, 1949

SUN	2nd Paper	3rd Paper
$2.14	$2.64	$3.84

THE VANCOUVER SUN
Vancouver's LEADING Newspaper

$700 Millions for B.C. Power Expansion

Keeps Pace With Booming Industrial and Community Growth

With known water power resources representing 27% of Canada's potential hydro-electric capacity, British Columbia today produces but 9.3% of the nation's output.

But B.C. water power production now tops one million horsepower, is meeting immediate needs and is being expanded fast to meet the West Coast province's continuing high level of industrial and community growth.

For tomorrow—latent horsepower waits, 6 to 10 million horsepower in hundreds of accessible streams and falls, and almost miraculously distributed regionally at points where also wait tomorrow's biggest development potentialities for new industries and communities.

Consumption rose only moderately during World War II. Since then power use has spurted, rising from under 2 billion kilowatt hours in 1938 to 2¾ billion in 1945 and then, in a postwar expansion rush to well over 3.5 billion kilowatt hours last year.

Major factors in B. C.'s big rise electrically:

1. Population up more than 40% in the last 10 years, sharpest gain of any Canadian province; (in 1939 the figure stood at 792,000, now 1,114,000);
2. Basic industries have grown, diversified, modernized (examples: pulp and paper, mining), while secondary industries and light manufacturing opened an almost new phase of B. C. expansion;
3. Rural electrification;
4. Substantial community expansion, extending to medium-size cities and towns and including housing, commercial and institutional building in volume.

So, when in 1949 Canada's total hydro capacity of 11.6 million horsepower was augmented by 480,000, B. C. was able to boast a 47% share—a spanking 228,300 new horsepower brought into operation last year.

And that's just a beginning. Projected expansion runs close to $700 millions, according to B. C. Electric's H. L. Purdy, director of rates and research, at the recent (third) B. C. Resources Conference in Victoria.

Recent and Current

Hydro generating agencies of B. C., both private and public long ago settled the chicken-and-egg precedence controversy as applied to electricity. Hydro, they contend, definitely comes first. Then industry. Accordingly it is largely to serve undeveloped areas, or at least potentially so, that both groups have been pushing big-scale construction programs.

The industry as a whole brought more than 180,000 new horsepower into service last year, well over 126,000 the year before.

Industry follows power, more often than the other way 'round. That may be obvious to most. But here's an interesting B. C. illustration.

Some years ago, the provincial government announced plans to build the John Hart development, Campbell River, Vancouver Island.

Industry quickly took notice in a big way.

Now operating on Campbell River power is the big Bloedel, Stewart & Welch pulp mill at Port Alberni, completed 1948.

Due to operate at Nanaimo mid-1949 is a second big Island pulp mill, that of Nanaimo Sulphate Pulp, an H. R. MacMillan Export subsidiary.

And announced plans include a third Island pulp plant, for Canadian Western Lumber Co., at Duncan Bay, and a cement plant (its second) for B. C. Cement Co.

All are based on Campbell River Power.

Then there are classic examples: Southern Ontario development based on Niagara power, the American Pacific Northwest on Grand Coulee and Bonneville.

HOW POWER USE GREW IN B. C.
(Billions kw.h.)
Source: DBS.

1920	0.49	1935	1.53
1921	0.50	1936	1.67
1922	0.53	1937	1.79
1923	0.58	1938	1.96
1924	0.61	1939	1.96
1025	0.73	1940	2.12
1926	0.89	1941	2.43
1927	0.97	1942	2.57
1928	1.08	1943	2.57
1929	1.17	1944	2.58
1930	1.21	1945	2.79
1931	1.22	1946	2.82
1932	1.17	1947	3.01
1933	1.24	1948	3.44
1934	1.45	1949 (est.)	3.64

So hydro power is B. C.'s industrial development ace in the hole.

Biggest builder in recent years is British Columbia Electric which, with subsidiaries, controls Western Canada's most extensive public utility services (hydro, gas, transportation). It plans to spend $23 millions in 1950 on its multiservice system (The Financial Post, March 18), about $17 millions of this sum for electric service.

Net additions to the company's properties last year (including transport and gas) amounted to $26.7 millions. It has an installed generating capacity of just under 500,000 horsepower and potential capacity of 1,123,850.

At BCE's 94,000 hp. Ruskin plant, an additional 47,000 hp. unit is under construction for completion next fall. At its Lake Buntzen No. 1 plant, work will be started this summer to replace seven old generator units totaling 28,200 by installing one unit of 70,000 hp. Completion there is set for late 1951.

As well, BCE is earning U. S. dollars for Canada. Since last July it has been delivering under contract 30,000 kw. to member companies of a power pool in U. S. Northwest with which the BCE system is interconnected. This sale of power is bringing in about $1 million a year.

Here's the B. C. Electric's capital program for 1950, by projects:

BCE's 1950 Spending

Bridge River hydro-electric development—La Joie storage dam	$1,250,000
Ruskin hydro-electric development—third unit	1,350,000
Lake Buntzen hydro-electric development—Enlargement of Plant No. 1	800,000
Construction and enlargement of substations—Lower Mainland	2,250,000
Transmission, distribution and other electrical plant—Lower Mainland	4,500,000
Transmission line from Nanaimo to Victoria connecting with British Columbia Power Commission line	1,300,000
Generation, substations and distribution—Greater Victoria	550,000
Light and power extensions — Lower Mainland and Greater Victoria	4,300,000
Gas plants, structures, equipment, distribution and extentions — Greater Vancouver, New Westminster and Greater Victoria	700,000
Urban Transportation, Greater Vancouver, New Westminster and Greater Victoria, including principally additional trolley coaches, trolley lines, buses and garaging facilities	3,900,000
Interurban railway	300,000
Interurban bus transportation, including pricipally buses and terminals	1,050,000
Other capital items	450,000
	$22,700,000

First unit of the big Bridge River development came into operation October, 1948. Last year, switches were thrown for the second unit in May, the third in December. This is the giant among the company's projects — by the time it has completed transmission lines and the La Joie storage dam, over $22 millions will have been spent on the development.

Interesting engineering features mark Bridge River. The "head"—the drop from the river into Seton Lake—is much higher than that found in most hydro developments throughout the world. The plant has Canada's biggest (6 jets) vertical wheel turbine; the horizontal type is more usually found on this continent. Seven additional generator units contemplated for the future would bring capacity to 620,000 hp.

While the privately-owned B. C. Electric has been equipping itself mainly to handle increased load in more populous areas, the public agency—B. C. Power Commission—is pushing hydro facilities farther into outlying sections.

Third major hydro-electric scheme to be launched by the provincially-owned Commission since war's end, a $1 million, 20,000 hp. plant at Clowhom falls at the head of Salmon Arm (Howe Sound, near Vancouver) has just been authorized by the Government (The Financial Post, Jan. 28). It will serve the Sechelt area which, with a growing population in a dozen communities, has had no hydro power system.

At Whatshan Lake in the near future the Commission will complete 33,000 horsepower, including one of the longest water power tunnels in the country (2 miles, between Whatshan Lake and Arrow Lakes). Cutting or "driving" the tunnel through rock went at a pace of about 700 feet a month and bulk of the tunneling was done last year.

Cost of the first unit at Whatshan, 28,000 hp., is put at about $3½ millions, plus $1 million of transmission lines. A duplicate unit is contemplated for the future.

Vancouver's Island's John Hart development (Campbell River) may be expanded sooner than many think if Island pulp expansion continues, some Coast industrialists say. Ultimate projected capacity is 167,000 hp., or an addition of 67,000 to the present 100,000. The plant as it now stands represents an investment of $12 millions, plus $3 millions of transmission lines. The job was virtually completed last year.

GROWTH HORSEPOWER FROM CENTRAL ELEC. STATIONS
(Source: B. C. Dept. of Trade & Industry)

Plants	78
Capital invested	$150 millions
Ann. output (billions kw. hrs.)	3.4
Revenue earned	$23.3 millions
Jobs (aver. employees)	2,116
Payroll	$4.5 millions

Little Canyon on Quesnel River will develop 100,650 hp. with a 60% load factor of 60,000 hp.; Big Canyon, also on the Quesnel is capable of 50,000 hp. with a 60% load factor of 30,000 hp. The Government allocated $5 millions for construction of the Little Canyon dam to feed a 25,000 hp. plant. Establishment of a pulp mill in the area by Bowaters has been talked about. If such a project develops, Quesnel power expansion is considered a certainty.

Transmission lines will be strung to Prince George, Williams Lake, Quesnel and other communities in the district. This will release diesel plants serving these centres for use in Hazelton, Windermere, Terrace, Smithers and Island fishing villages.

Some of the other Commission jobs seen ahead:

Extension of a supply line from Kamloops to Chase, making available power along the bench lands of the Thompson River;

Completion of North Okanagan rural electrification, bringing service to 2,700 farms;

Improvement of supply to Hazelton area;

New submarine cable to Saltspring Island to increase power delivery, and another across Okanagan Lake, Kelowna to Westbank to replace the latter centre's diesel operation.

New administration building in Victoria.

Mining companies and cities are among smaller-scale power builders. For example, at Brilliant, Consolidated Mining & Smelting has just made a 37,000 hp. installation.

Pulp and Paper Expansion Paces Industrial Growth

(Continued from page 25)

River Co. produced its first roll of newsprint in a two-machine mill.

It was in 1912 also that Sidney Roofing Co. built a plant at Sidney. (This was burned out in 1919, later built in Victoria where, as Sidney Roofing & Paper it has grown to major status.)

(Oldest existing pulp mill in B. C. is that of Sorg Pulp Co., at Port Mellon, which closed last August for an unspecified period. It began production in 1908, daily turning out 20 tons of soda pulp by a process in which wood chips are cooked in a strong alkaline liquor, chiefly caustic soda. This mill changed hands several times until 1941 when Sorg bought it and undertook a costly program of modernization.)

In 1912 a group of investors built a small bleached sulphite pulp mill at Swanson Bay, 50 miles north of Ocean Falls, later bought by British Columbia Pulp & Paper Co.

In 1917, the first unit of what is now the huge plant of Pacific Mills Ltd., began turning out newsprint at Ocean Falls, 350 miles north of Vancouver.

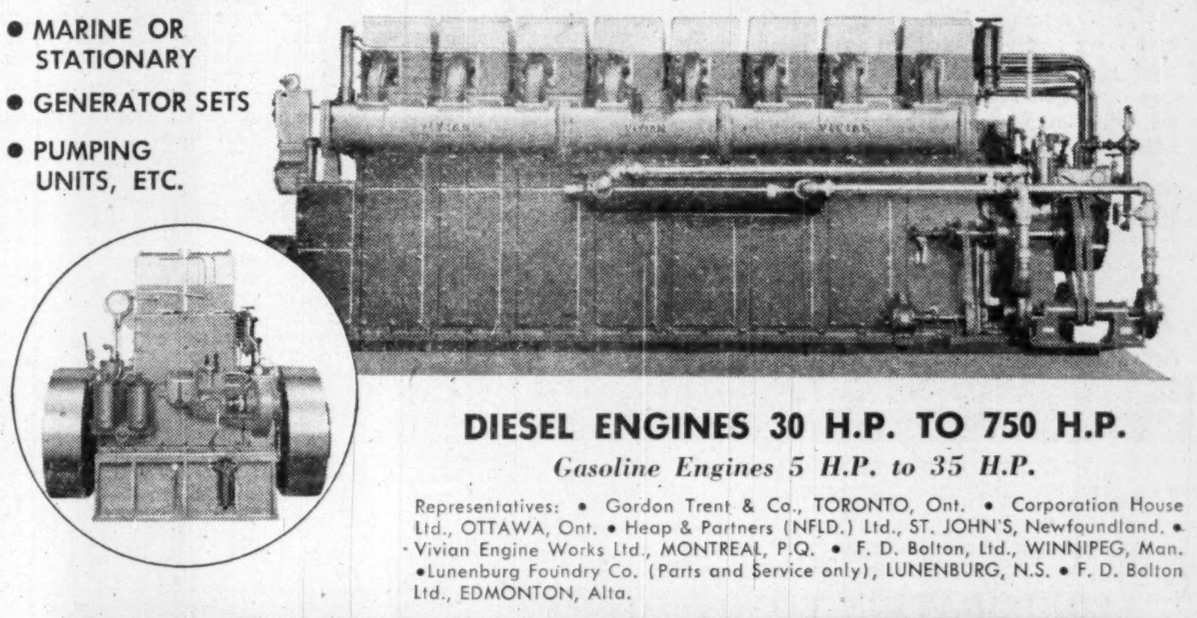
Then, 1922 brought incorporation of Westminster Paper Co, which built a small mill at New Westminster. This was burned down in 1929, rebuilt the next year and has steadily expanded to important position in the industry.

In 1925, British Columbia Pulp & Paper Co. was incorporated and operated its present mills at Woodfibre on Howe Sound, and Port Alice on Vancouver Island. The first-named mill was built in pulp-historic 1912, the one at Port Alice in 1918. Both of these mills and the one mentioned earlier at Swanson Bay were originally known as the B. C. Sulphite Co., commonly referred to in those days as "the Whalen interests."

On this industrial foundation, new growth and diversification in pulp and paper manufacture now is being built. The industry at the same time, in company with management in logging and lumber and with provincial government officials, is undertaking potentially far-reaching forest conservation measures.

Market problems may dominate many a discussion in the West Coast industry today and furrow many a brow. But they take second place in most talks.

The big idea, the continuing and pervading thought is of more expansion—a greater pulp and paper industry in a managed-forest economy which processes and replaces every "stick"; a thriving provincial community of five million people with major secondary industries in a nation of 30 or 40 million in the decades dead ahead.



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Secondary Industry Booms in B. C.

Here's How Small Plants Add to Payrolls on West Coast

Private capital is currently investing over $100 millions in British Columbia industrial enterprise.

A significant part of that money is going into manufacturing or secondary industry, which now is producing at an annual level not far short of $1 billion gross. That places B. C. third among Canadian provinces and second per head of population.

B. C. industry's huge capital investment program centres, of course, on primary and allied industry. Much of current spending on new plant and equipment is for pulp, paper, other wood processing and products, mineral smelting, fish and fruit processing.

But that's just the heavy core. Around the province's rich nucleus of raw materials there has grown almost suddenly a wide diversity of factories and shops in the metalworking and machinery trades, long sought as vital to economic balance for a once-lopsided economy. There has been promising growth in textiles, chemicals and food processing other than fish and fruit, in smallwares, clothing and literally scores of other items.

The first war imposed new demands on B. C.'s secondary industries. The second magnified the trend many times. Defense preparedness now is supporting many of those gains.

Equipment for Prairies

In addition to making manufactured equipment and processed materials formerly "imported" by local industry, the Coast's secondary industry plants and shops are reaching out to supply the Prairies with machinery, diesel engines, plywood, doors, furniture and carpet, plus an increasing range of specialties varying from swim suits to trucks and trailers, construction equipment, paint and industrial glue.

World War II showed the inherent strength of B. C. manufacturing.

A firm which built ship's boilers by the hundred is now making turbines for 62,000 horsepower hydro units, an undertaking never before attempted in the province. Not only were the Vancouver-built turbines for the Bridge River hydro development B. C.'s first; also, they were of a size and type never before built anywhere. The same huge project introduced fabrication in B. C. of penstocks and steel towers.

When Vancouver last year started converting its transit system from streetcars to gasoline and trolley buses, it was a Vancouver factory which provided aluminum brackets for ornamental lights on new trolley poles. The same firm provides parts for power chain saws, now made in volume for domestic use and export. Design of chain saws has now advanced to where, for special uses, B. C. saws are being shipped to Sweden, home of the chain saw.

Yet another plant has turned in part to making oil drill rigs for Alberta and equipment specially designed to handle smaller timber of Eastern Canada. A Vancouver firm is filling volume orders for motor generator sets for Ontario.

Back of the current rise in manufacturing has been record production levels in the fisheries and mines, farm and forest, plus major expansion in pulp; paper and wood processing, fish and food by-products and packing. Back of that rise, too, and also reflecting it is a continuing high level of building and engineering construction, with contracts awarded valued last year at $80 millions, against $70 millions the year before and $40 millions in 1947 (residential $23 millions in 1949 against $14 millions 1947).

Power development (recorded in another story in this issue) also to a large extent grew from and in turn is feeding the province's farther advance in the secondary industries field.

From garden weeders and golf clubs to whisky and soda water, from workpants to playground equipment and from brushes to bridges, British Columbia is manufacturing an impressive variety and volume of goods it was buying in the East or United States right into the 1930's

Small Centres Share

Another important aspect of the province's new stature in nonprimary manufactures — i.e., manufactures other than processed or canned fish and fruit, lumber, pulp and paper all of which, strictly considered are primary industry adjuncts — is the growth overflow from Vancouver, New Westminster and Victoria areas into "the lesser towns."

A look at some of these smaller developments since war's end suggests that stirrings of B. C. expansion are being felt in almost every quarter, quite apart from the big multimillion-dollar pulp developments talked about for Duncan and Quesnel (Canadian Western Lumber, and Bowaters) and built or under construction at Port Alberni, Nanaimo and Prince Rupert (Bloedel, Stewart & Welch; Nanaimo Sulphite Pulp; Columbia Cellulose).

The communities and industries referred to are ones seldom in the news. Individually, they are small. Collectively, they and the contribution they are making to industrial expansion could be important and significant.

Here are some of the smaller centres and communities which, since 1945, have gained new industries and new attention of industrial development economists in B. C. business and government:

Ashcroft—Western Soya Bean Sauce Co.

Chemainus—Andrews Sash & Door Co.

Chilliwack— Chilliwack Dehydrated Grass Ltd.

Cranbrook — Western Oxygen Co.

Courtenay—Courtenay Stove & Sheet Metal; Garman Sheet Metal.

Creston—Creston Canners Ltd.

Dawson Creek—Moore Planing Mill; Wilson Freightways Planing Mill;

Duncan—Vancouver Island Sash & Door; Island Ice Co.

Grand Forks — Grand Forks Sawmills (box factory division).

Hope—Hope Square (box) Mill.

Kelowna — Smith Furniture Manufacturing Co.; Kelowna Cement Block Works; Okanagan Fruit Juice Co.; McGavin Bakeries Ltd.

Mission—Eddy Match Co.; Mission Box Factory.

Penticton—Penticton Engineering Works; Canadian Canners.

Princeton — Kickbush Shook-Boxes Co.; Mainland Forest Products; Squelch & Son Sawmill.

Quesnel—Western Plywoods Co.

Revelstoke — Arrowhead Wood Preservers Ltd.; Amano Soy Sauce.

Salmon Arm—Magee Sawmills.

Smithers — Northern Interior Planing Mill.

Summerland — Summerland Furniture Co.

Terrace — Hill & McGinnes Cedar Float Co.

Vernon — Schroter Electronics; Ansel Laboratories; Pioneer Cement Works; Interior Cement Block Co.; Vernon Tent, Awning & Upholstery; Ganzeveld Sawmills; Vernon Machine & Foundry Co.; Obal Boat Works.

Says Vancouver Board of Trade's secretary-manager, Reg. Rose:

"B. C.'s and Vancouver's biggest postwar industrial gain, apart from power, pulp, paper and forest-based building materials is in small and middle-size plants. Hundreds of such establishments have sprung up in the last five years, many others have been expanded. They've added a great deal to the solidity and staying power of our economy."

North Vancouver experience illustrates Mr. Rose's point. There, new industries since the war include Cranemobile Ltd., Electric Power & Equipment Ltd., Darling & Sons Paint, Kavanaugh Soaps, Harbor Marine & Boatbuilding, National Industries (umbrellas), North Shore Sash & Door, Seymour Park Lumber & Sawmills.

Victoria Joins Parade

Once-staid Victoria has literally jumped into the manufacturing picture with small plants which collectively are a big contributor to the rising volume of goods from B. C. machinery and skills. Biggest new industry or expansion there since the war is represented by Felt & Textiles of Canada (carpet, etc.), Hall & Co. Clothing, Victoria Bed & Mattress, B. Wilson Frozen Foods, Western Match, Sidney Roofing & Paper, International Paints (Canada), British American Paint, B. C. Cement, Manning Timber Products. New establishments or significant expansions have been averaging about 15 a year since the war.

HERE ARE B. C.'s FACTORIES
Source: DBS

	Plants	Jobs (000)	Payroll ($ millions)	Prodn. gross ($ millions)
1920	1,305	34	49	230
1947	3,020	83	167	858
1949 (est.)	3,200	90	183	960
Canada ('47) ..	32,714	1,131	2,086	10,000

New Westminster, too, is contributing substantially to manufacturing growth. American Marietta Co. is making synthetic resin glue; Canadian Forest Products turns out wallboard and other wood products. Heaps-Waterous Ltd., machinery and equipment for canning, paper mill and woodworking industries recently enlarged and improved its plant.

Forerunner of what is predicted to be eventually a major industry is the new plant of Vancouver Rolling Mills Ltd., producing steel angles, channels, rods and bars from scrap. Is this the forerunner of what B. C. has been dreaming and talking about for 50 years—a basic steel industry? Trade and Industry Minister Leslie H. Eyres and Deputy E. G. Rowebottom think it very well could be, point to the fact that the province has about eight million tons of known iron ore reserves and the right kind of coal for open-hearth or electric smelting. And the B. C. Iron & Steel Bounties Act provides a bounty payment of $3 a ton for pig iron produced from ore mined in the province.

Ranged beside Vancouver Rolling Mills to suggest the prediction has some foundation are Vancouver Steel Mills (ingots from scrap), Burrard Rivet & Forgings, Pacific Bolt Co., and an increasing array of iron and steel fabricating shops.

Hopes for immediate strides toward building a basic steel industry on the Pacific Coast were dashed following last summer's Federal Government decision against steel industry capital expansion subsidy. The plan would have provided dollar for dollar with private interests for erection or expansion of a basic steel plant.

Canadian Collieries (Dunsmuir) studied plans to build an electric furnace and use its own Vancouver Island power to smelt local iron ores. This has been dropped. Consolidated Mining & Smelting's furnace, which is expected to reduce tailings at the vast Kimberley mine into pig iron, probably will produce only for Consolidated's own consumption (The Financial Post, Sept. 17).

But British Columbians still think "prospects are bright" for early development of a basic steel industry on the coast.

The province's newly developed resources of cheap electric power, its moderate climate, its increasingly skilled working force, are still drawing business to B. C.

Most stirring example is the fact that Aluminum of Canada is spending over $1 million on power studies (Nechako River-Kitimat area between Vancouver and Prince Rupert) preparatory to possible building of multimillion-dollar power, basic aluminum and aluminum fabricating plants.

Just as B. C.'s developed and potential electric power and other natural resources are attracting new attention in the East and United States, so, too, is its almost spectacular rise in secondary manufacturing.

British Columbians may have more than eager-beaver optimism on their side when, looking at Canada's high and relatively stable economy, Labrador iron, Alberta oil and gas, they stoutly say they'll "match all that, and more," before the century is much older.

B. C. IS SHARING in Alberta's oil-fueled postwar boom, besides making one of her own based on population gain, thriving primary industry and new diversity in manufacture. Example: Western Bridge & Steel Fabricators Ltd., Vancouver, recently was awarded a contract by the CNR to fabricate and erect structural steel for Edmonton's proposed 16-story, 300-room Macdonald Hotel addition.

VANCOUVER AIRPORT Manager William Templeton next month will visit Ottawa and Dept. of Transport with plans for an $11-millions development of his city's Sea Island. He'll ask for an okay and federal money commitment for first stage of the work: $1.8 million, 7,200-ft. east-west runway and taxi strips for jetliners scheduled to operate out of Vancouver by 1952.

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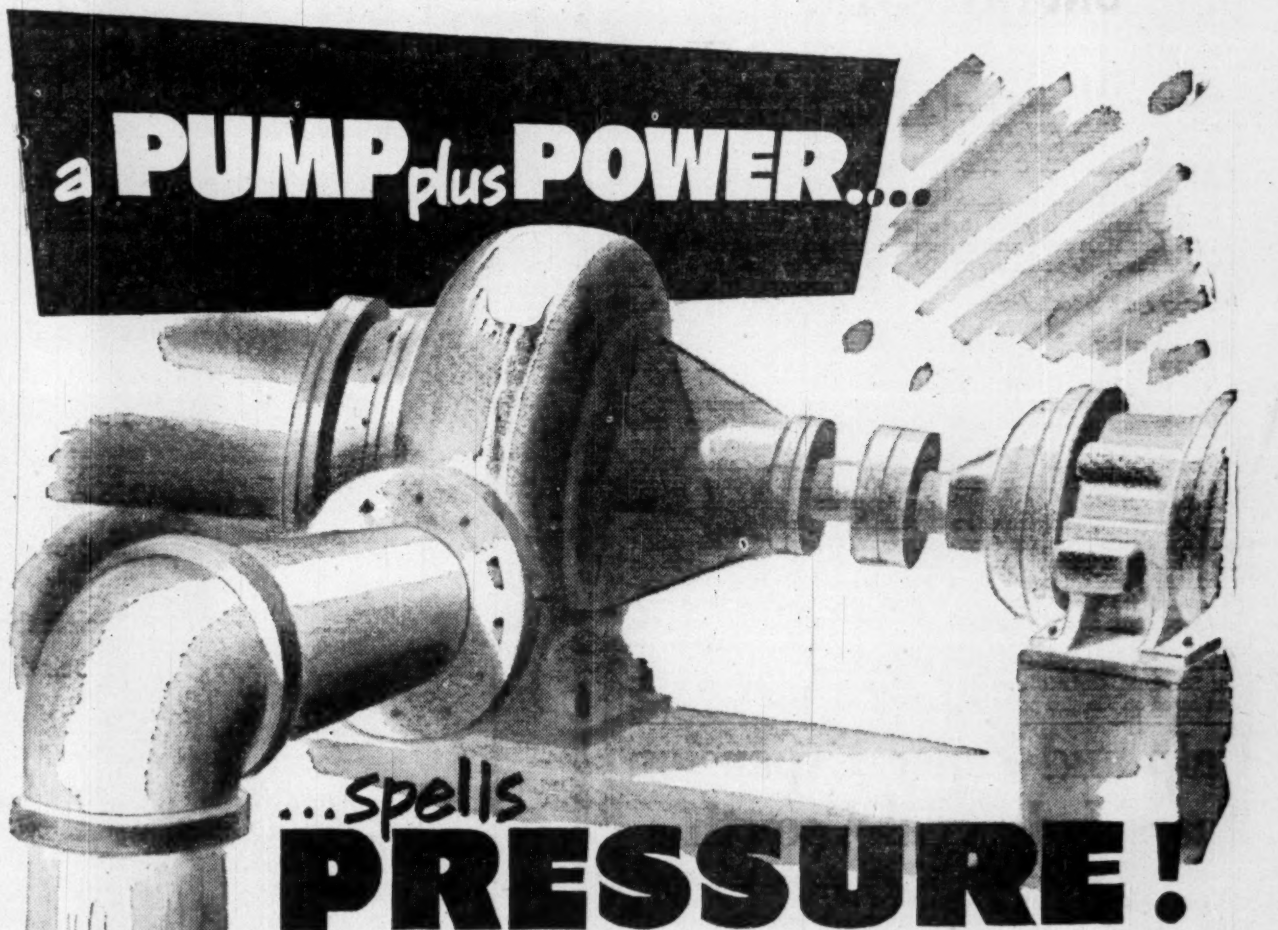
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Many Licenses Are Issued for Prospecting

If you count in new oil and gas possibilities, almost all of British Columbia is favorable country for turning out mineral wealth.

Because of the mountainous terrain of a large part of the province, however, some of the best sources of mineral wealth have probably yet to be tapped despite discovery of some really outstanding mines such as the Sullivan mine of Consolidated Mining & Smelting Co. north of Kimberley, the world's largest producer of lead and zinc.

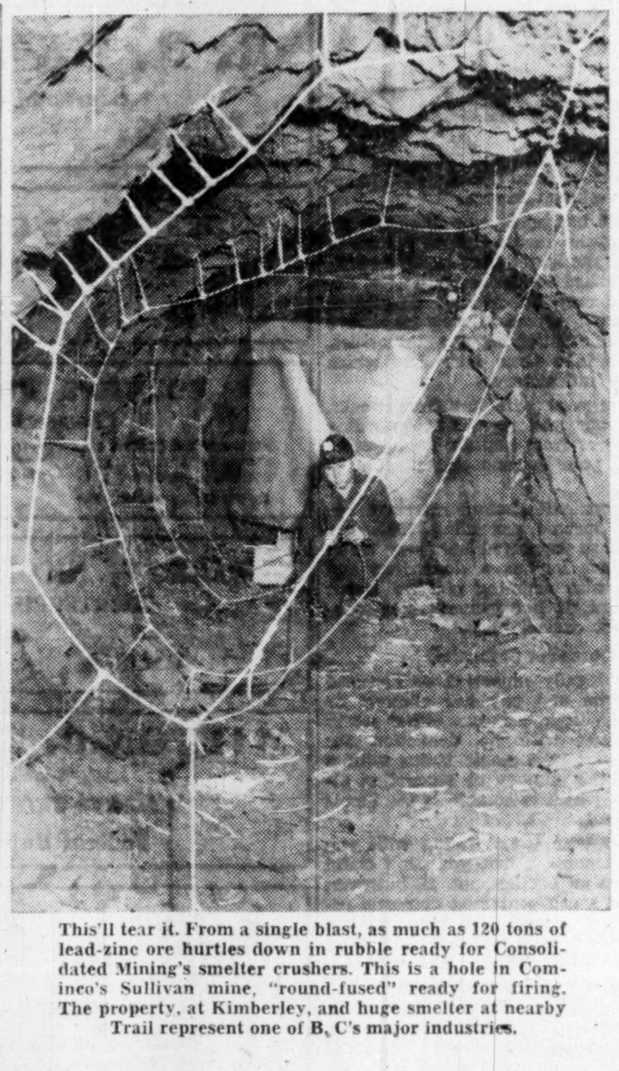
It is expected that as a fuller appreciation of various possibilities develops, and as improved transportation links are developed, the storied B. C. mining industry will enter still another interesting phase.

Interesting changes in accessibility have already been achieved recently or are in prospect. British Columbia and the Federal Government combined not long ago to complete a road from the Alaska Highway to Atlin in the far northwest. This road is expected to facilitate expansion of mining activity. The province recognizes that a road is needed into the Taku area—only accessible by riverboat and trail—but the road would have to start in Alaska; so far no arrangements have been possible with authorities there for completion of a road.

East from Taku, a 70-mile road was built two years ago from a point on the Alaska Highway about 20 miles west of Watson Lake, south of the McDame Creek area. This road has contributed to successful operation of a dredge in the McDame Creek area.

Pipeline Might Help

If Westcoast Transmission Lines secures permission for construction of a pipeline through British Columbia territory to Vancouver, a large-scale prospecting effort, similar to construction of a rail line, could be touched off. Certainly the pipeline, if constructed, will provide a new accessibility, would spur the search for gas resources in any favorable areas along its route.



This'll tear it. From a single blast, as much as 120 tons of lead-zinc ore hurtles down in rubble ready for Consolidated Mining's smelter crushers. This is a hole in Comineco's Sullivan mine, "round-fused" ready for firing. The property, at Kimberley, and huge smelter at nearby Trail represent one of B, C's major industries.

That prospectors think British Columbia is a province with a real future is demonstrated by statistics. No less than 5,803 prospectors' licenses were issued and renewed in British Columbia in 1949 (only Ontario had a greater number); 3,441 claims were recorded.

Mining production today is not far from the level of 1949 which was the second best year in province's history. Earlier this year, severe winter weather affected production of a number of operations in southern B. C., but there has been a substantial recovery since then.

Consolidated Mining & Smelting Co. operations at Kimberley and Trail show no great change in over-all results. Modernization of the Trail smelter at a cost of $12 millions is proceeding smoothly with little if any interruption to regular production schedules. Late last November, a new 286-ft. lead smelter stack was completed; approximately 500 cu. yds. of concrete was used in its construction.

Shrinkage of the United Kingdom market for lead and zinc produced by Consolidated Smelters and other B. C. producers, has been offset by larger shipments to the United States. Prices have been a little easier for lead but efficiency established by the B. C. industry assures stability of the industry as a whole even though a few smaller operations may be hit by lower metal prices.

Reeves Aids Output

British Columbia output of lead and zinc received a noteworthy addition when Reeves MacDonald placed a first 500-ton unit in operation June 24, 1949. It is hoped to have a second unit in operation by the middle of the current year with a production rate of 1,000 to 1,200 tons daily prevailing thereafter.

A number of newer operations in Southeastern B. C. have been adding their output to the province's total. Particularly worthy of mention are Canadian Exploration's Jersey lead-zinc operation in Nelson district, Silver Standard in the Omineca district, Violamac in the Slocan and the Zincton division of the Sheep Creek Gold Mines.

Base Metals Mining Corp. has also continued production steadily at its main operation near Field, B. C., and recently made three shipments of ore from its Cork Province property in the Slocan area, with net smelter returns of $131,899. Santiago Mines has also been shipping ore from its Bosun mine in Slocan. This area has experienced quite a revival in recent years.

The Canadian Exploration operation not far from Salmo realized $164,000 net smelter returns in the last quarter of 1949. Capacity is being increased from 300 to 500 tons daily; an eventual rate of 1,000 tons a day is stated to be a good possibility.

Development of new lead properties is proceeding in a number of quarters. Yale Lead & Zinc Mines near Ainsworth has consolidated 63 claims covering extensive showings not far from where the Florence mill has been operating. Consolidated Smelters is reported to have been securing good results on its Big Bull gold-silver-lead-zinc property in the Coast area.

Copper Output Up

An increase in copper production was reported by British Columbia in 1949 with both Granby Consolidated and Britannia Mining & Smelting (a subsidiary of Howe Sound Co.) enjoying encouraging results. Vananda failed to achieve success in its initial milling operations but some shipments of ore to smelter have been made recently.

Profits showed a nice increase at Granby Consolidated in 1949 while Britannia treated an average of 3,100 tons daily. A new ore body was found in the upper reaches of the Britannia mine and developments at depth, were reported favorable.

Gold Mining Recovers

British Columbia gold mining shows definite signs of further recovery and 1950 may be a year of considerably better output than 1949; 1949 output had approximated that of 1948 even though fewer mines were in production.

In the Bridge River camp, Bralorne Mines is milling at capacity again. Its Empire shaft has been extended to the 26th level and a block of six new levels is to be explored. A new vein was cut in the shaft during shaft sinking.

Pioneer Gold Mines, next door, produced $1,150,000 in 1949—$300,000 more than in the preceding year—and is now back among the province's leading producers. The Pioneer mine is in excellent shape, sizeable ore reserves of good grade have been developed, and a return to an annual production of $2 million a year is being forecast for this gold producer, once B. C.'s largest.

Kelowna Exploration Co., second only to Bralorne as a B. C. gold producer, is understood to have impressive reserves averaging 0.40 oz. gold per ton and is believed to be the lowest cost producer in the province. Its Nickle Plate mine turned out $1,650,000 of gold in 1949, about the same as in the previous year.

Polaris-Taku, which had the unenviable distinction of being the province's highest cost gold producer in 1949, appears to be in a position to do much better this year. The first of two new roasting units has been placed in operation, is expected to result in a considerable saving in costs. Ore bodies are good grade and this mine stands an excellent chance of doing better as conditions improve. Output was just under $1.2 millions last year.

Cariboo Gold Quartz Mining Co. did not show much improvement in output in 1949 although there were definite signs of improvement in the latter part of the year.

Operating earnings which have developed recently are stated to be sufficient to meet expenditures involved in a program of extending a shaft 300 ft. below the present bottom 20th level in order to get greater depth on a rich new vein opened recently.

Island Mountain Mines Co., next door, has been a steady distributor of dividends, has maintained its ore position fairly well in recent years. Production in 1949 was $625,000.

Sheep Creek recovered $415,000 of gold in nine months of operation in 1949, realized substantial profits due to its subsidiary Zincton base metal operation.

Through the concentration of efforts to place the mine in good physical position, Sheep Creek stands a good chance of re-establishing its gold production on a high plane.

Silbak Premier Mines resumed operation of its 600-ton mill at the end of 1949, will be an important factor in bolstering 1950 production totals. The company's Premier mine has the distinction of producing more gold than any other mine in British Columbia but ore disclosures have not been very satisfactory in recent years.

Through its by-product output, Consolidated Smelter's Sullivan mine rates as the largest producer of silver in North America. But aside from the Sullivan, British Columbia has an important stake in the silver-mining business.

Torbrit Silver Mines, with its 300-ton mill, is probably the second largest straight producer of silver in Canada. Detailed results of 1949 operations, however, are not yet available.

Highland-Bell, the historic silver-lead-gold property near Beaverdell enjoyed a very satisfactory year in 1949. Net profits for the year were 15 cents a share including 4 2/3 cents a share for the last quarter. Many smaller base metal mines in British Columbia have an important by-product of silver.

Peace River, the Queen Charlotte Islands area and sections in the Vancouver district have been in the limelight recently in a westward extension of the feverish hunt for further sources of oil and gas, previously concentrated chiefly in Alberta. British Columbia has important sections of favorable sedimentary rocks and discovery of oil would come as no great surprise.

COMPANY REPORTS

CANADA NORTHERN POWER CORP. LTD. net profit of $247,673 for 1949 was down 17% from the 1948 figure of $298,268. Output of 382,539,772 kilowatt hours was up 29% from 1948. Number of customers increased 974 to 11,303.

During the year, contracts to supply power to Beacon Mining Co. and Quesabe Mines were entered into, and transmission lines connecting these properties were completed. Extension of the Quinze River power plant, to increase its capacity to 84,000 hp., is well under way and the head there was increased, allowing 10,000 hp. more to be generated.

President A. J. Nesbitt stated that a franchise for five years was entered into with the Municipality of Evain covering the installation and operation of a street lighting system there.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$1,090,912	$1,132,446
Less: Subs. bd. int.	280,500	273,560
Amort. bd. exp.	11,076	11,063
Depreciation	277,460	275,335
Income taxes	224,158	224,220
Subs. pfd. divds.	50,045	50,000
Net profit	247,673	298,268
Less: Com. divds.	240,000	240,000
Surplus for year	7,673	58,268
Earnings per Share and Dividend Record:		
Common: Earned	$0.62	$0.75
Paid	0.60	0.60

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$280,025	$272,962
Accts. rec.	197,670	148,366
Mkt. securities†	153,767	185,506
Other invests.	128,500	128,500
Inventories	194,149	209,523
Total curr. assets	954,111	944,857
Misc. assets▲	271,794	276,536
Fixed assets	14,422,963	14,165,653
Total assets	15,648,868	15,387,046
Accts. & tax. pay.	279,432	250,268
Other curr. liab.	226,976	215,426
Total curr. liab.	506,408	465,694
Subs. fund. debt	9,000,000	9,000,000
Deprec. res.	4,953,040	4,714,881
Misc. res.	20,272	17,863
Cap. stk. of subs.	1,000,000	1,000,000
Capital stock	2,148,796	2,148,796
Less: Cap. deficit♦	2,455,966	2,455,966
Surplus	476,318	495,778
†Market value	114,080	130,630
▲Incl. ref. EPT	2,594	2,594
Working capital	447,703	479,163

♦Representing net loss arising from sale of physical assets of a sub. co., less reserve applied thereto, and after deducting excess of book value of sub. co's capital stock over cost of acquisition of same by Canada Northern Power.

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Your Personal Income Tax

What Exemptions on Wife's Income?

Changes Have Complicated Forms—These Tips May Help You

Director's Fees

A recent amendment in the income tax act changes the tax position of director's fees. The former position outlined in The Financial Post, Feb. 25 was that if you were a director of a firm of which you were also an employee such fees were considered earned income but if you were a director but not an employee of the company such fees were deemed investment income. Under a change in the act, all directors' fees are considered earned income.

If you and your wife each have an income, how do you divide allowable deductions for charitable contributions, medical expenses, and dependent children, etc., between you? With a spouse's income over $250 now applied to reduce the taxpayer's exemption, and other provisions, income tax for married persons has become more complicated. In this, the sixth article in a Financial Post series for individual taxpayers, some points of interest to married couples are discussed.

By D. G. MACLEAN

Income tax, for married couples, has become more complex than it was a few years ago.

Before the war, comparatively few wives were working and even if they had an income from investments, it made no difference as long as their income was not large enough to make them taxable as single persons.

During the war, when income tax really began to bite the ordinary citizen, the Government made special concessions to married couples where the wife's income was earned from salary or wages. Object was to encourage married women to work in war plants, offices, etc., to help with the war effort.

Now, a wife is taxable no matter the source of her income, if it exceeds the basic exemption for everybody of $1,000 a year.

Not only that, but even if her income is not taxable, if it exceeds $250 but does not exceed $1,000, the husband's exemption is reduced by the excess over $250 (see The Financial Post, March 11).

If the husband's income is less than $1,000, the wife, if taxable, can claim married status for tax purposes. Then the wife's exemption is affected similarly by any excess of the husband's income over $250 provided they are living together and the wife provides support.

In neither case can the spouse of the taxpayer reduce her or his income to help the taxpayer's exemption, by deducting personal exemptions or by deductions, for charitable donations, medical expenses, or by giving a gift to the crown. If the wife's income exceeds $1,000, the husband can retain married status by adding to his tax the excess of his wife's income over $1,000 under the notch provision (Financial Post, March 11) and she then would not be taxable. (In the March 11 issue it was stated she would.) In such a case the husband's exemption would be reduced by the amount of the wife's income over $250.

The application of these new provisions, has caused many married couples to wonder if it pays them, to let the wife continue working. In general it appears that it does pay when the combined income of the two is taken into account. But, it must be remembered that $250 is all the income the wife gets tax free.

For example, take a couple where the man earns $3,000, the wife $1,800 giving a combined income of $4,800.

In this case, each would be taxable as a single person, husband's tax $320, wife's tax $120, total $440, leaving a net combined income after income tax of $4,360 or $1,510 more than if the wife did not work.

Suppose the husband earned $3,000 and the wife has an income of $950, a total income of $3,950. In this case, the husband is taxed as a married man but his exemption is reduced by the excess of his wife's income over $250 or $700. His net exemption then, is $2,000 less $700 or $1,300 and he will be taxed on $1,700, a tax of $269, leaving combined income of $3,681. If the wife had no income, the husband's tax would be $150, leaving $2,850. Thus the total income when both work would be $3,681 against $2,850 when she has no income.

If the wife of the same man has income of $500, his exemption is $2,000 minus $250 or $1,750, taxable income $1,250, total tax $193, leaving net of $2,807 and wife's $500, giving a combined net income of $3,307.

Thus while the effect of the wife's income may vary it appears generally to provide the couple with money they would otherwise not have.

For excessive medical expenses, married persons are entitled to maximum exemption of $1,000 plus $250 for each dependent; single persons to $750 plus $250 for each dependent. Maximum deduction for married persons $2,000, for single $1,750.

A married man's deductible medical expenses are not affected when his exemption as a married man is reduced because his wife's income exceeds $250.

In fact, this medical expense may be claimed by either husband or wife provided each has a taxable income and maximum limits are not exceeded.

If you get married and your wife was working during the year, your exemption is not affected by any earnings she made before marriage, although her own tax position would be based on her earnings for the full year. The same thing applies as regards her investment income.

If your wife has an income from investments, you or she should keep a record of her income if she is not taxable. Otherwise, you may be asked for an accounting of her income as it may affect your exemption and if you have no record, you may have a lot of trouble satisfying the authorities, may have to take their estimates, which might not be satisfactory.

Any income your wife has from stocks, bonds or money you gave her, including money she saves from household budgeting is considered your income and taxable in your hands.

Provided your wife before marriage has not had an income exceeding $500, her father if he has supported her, may claim a deduction for her as a dependent and you may be also claiming married status on her account, if her income after marriage does not exceed $1,000.

Divorced or Separated

If you are legally separated or divorced from your wife and pay her alimony or separation allowance, you can either retain marriage status with no deduction for alimony, etc., or take single status with a deduction of the alimony or separation allowance paid, which is taxable in the hands of the recipient.

But if your wife is not living with you and you don't support her, you can't claim married status on her account. If, however, you maintain a self-contained domestic establishment in which you maintain a wholly dependent child you can claim married status on their account. The same applies to a single person or a widower.

If you maintain a full-time servant in your self-contained domestic establishment in which you support a wholly dependent child you can claim both dependent's allowance and marriage status.

There is no exemption as a married person for supporting a common law wife.

One place where the taxpayer gets a break from the income tax department is that if he marries on Dec. 31, he can claim married status for the whole year. If the wife dies on January 1 of any year the taxpayer can claim married status for the whole year.

If you are running a business and your wife helps you in your store or office and you pay her a salary, you are not allowed to deduct anything from your income on account of such payments. There is no separation of income in such cases. Any income you pay your wife is still considered your income and taxable in your hands.

Any income your wife derives from her own earnings apart from your employment or from capital she inherits or which she has saved before her marriage is her income and she is liable for income tax on it if it exceeds the single person's exemption.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SOCIETE DE PRETS & PLACEMENTS DE QUEBEC reports net profit of $43,450 for 1949, slightly below the 1948 net of $45,978. Liabilities to the public amounted to $95,455 ($132,667 in 1948) and were secured chiefly by mortgages of $1,307,822 ($1,276,220) and liquid assets of $21,763 ($49,961).

At the annual meeting it was suggested that a regular dividend of 5% be paid rather than paying 4% plus a bonus of 1%. President J. A. Grenier stated that the question would be studied by the board of directors.

	1949	1948
Liabs. to public*	$95,455	$132,667
Depr. of realty	3,577	11,789
Shareholders' equity†	1,248,706	1,225,563
*Secured by:		
Realty for sale	18,136	43,700
Mortgages	1,307,822	1,276,220
Office furniture	17	138
Liquid assets♦	21,763	49,961
Total	1,347,738	1,370,019

†Includes $253,750 premium on sale of capital stock.
♦Includes bonds and stocks.

Net profit	43,450	45,978
Earnings per share	$5.43	$5.75
Paid	4.00+2.00	4.00+1.00

GOODYEAR TIRE & RUBBER CO. OF CANADA consolidated net profit of $1,523,965 for 1949 was off 26.8% from 1948's $2,412,119. Although exports declined materially due to dollar shortages, sales continued at a substantially high level.

Higher operating costs and taxes forced a 10% increase in prices of tires and tubes, the first since 1946. Even with this increase, prices of most popular sizes are below 1940 levels, President A. G. Partridge states.

For the highly competitive domestic market, the Marathon truck and passenger tires were reintroduced and Canada's first all nylon cord auto tire was presented. Capital expenditures totaled $1,741,755, consisting mainly of the installation of additional equipment to improve production capacity.

A new sales branch was opened in Edmonton to replace existing facilities, provide additional service to dealers and afford economies in distribution costs.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$4,015,434	$5,200,204
Add: Other inc.	53,484	33,895
Less: Deprec.	1,638,944	1,385,935
Income taxes	906,009	1,536,145
Net profit	1,523,965	2,412,119
Less: Pref. divd.	312,210	317,575
Com. divd.	1,543,560	900,410
Surplus for year	▪331,805	1,194,134

▪Deficit.

Earnings per Share and Dividend Record:		
Preferred	$9.74	$15.22
Paid	2.00	2.00
Common	4.71	8.14
Paid	6.00	3.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$94,208	$289,122
Accts. rec.	4,115,825	3,544,295
Inventories	10,217,999	10,619,131
Total curr. assets	14,428,032	14,452,548
Misc. assets♦	1,068,695	1,115,383
Fixed assets*	9,424,076	9,321,265
Total assets	24,920,803	24,889,196
Bank overdraft	631,125	......
Accts. & tax. pay.	3,599,331	3,762,711
Divds. pay.	78,199	79,232
Total curr. liab.	4,308,655	3,841,943
Contingent res.	1,000,000	1,000,000
Capital stock	7,948,530	8,051,830
Capital surplus	692,350	692,350
Surplus	10,971,268	11,303,073
♦Incl. ref. EPT	544,813	697,257
*After depr. of	15,671,243	14,322,471
Working capital	10,119,377	10,610,605

LAURENTIDE ACCEPTANCE CORP. shows record net profit of $68,150 for the year ended Oct. 31, 1949, as against $58,465 for the previous year.

Notes receivable at Oct. 31 were at a record high. The "dealer wholesale account" totaled $317,000. Of this, almost 80% represents automobiles and the remainder is made up of diversified domestic, commercial and industrial items. The "retail contracts account" amounted to $2,800,000, and was divided into 60% automobiles, 17% merchandise for domestic use, 11% commercial items, 4% heavy construction machinery and 8% miscellaneous. President Roland Therien states that the company holds a bona fide lien on upwards of 97% of all items, merchandise and goods financed on a retail basis.

He points out that the large volume of bank and demand loans denotes a need for additional capital and states that this situation is under study.

INCOME ACCOUNT

Years Ended:	Oct. 31 1949	Oct. 30 1948
Net earnings†	$198,103	$170,631
Less: Depreciation	6,385	4,646
Bank interest	64,720	50,182
Bond interest	18,761	19,198
Income tax	40,087	38,140
Net profit	68,150	58,465
Less: Pref. divds.	25,000	22,500
Com. divds.	10,500	10,500
Surplus for year	32,650	25,465

†After deducting reserve for losses and contingencies.

Times Bond Interest Earned:‡		
Before deprec.	7.11	6.27
After deprec.	6.77	6.03

‡After deducting bank interest.

Earnings per Share and Dividend Record:		
Preferred	$2.73	$2.34
Paid	1.00	1.00
Common	0.62	0.51
Paid	0.15	0.15

CONDENSED BALANCE SHEET

As at:	Oct. 31 1949	Oct. 30 1948
Cash	$152,320	$195,605
Notes rec.	3,178,329	2,614,308
Accts., etc., rec.	4,285	6,142
Deposits	1,491	......
Total curr. assets	3,336,425	2,816,055
Deferred chgs.	19,763	25,020
Fixed assets	39,701	30,963
Total assets	3,395,889	2,872,038
Bank & call loans	1,606,280	1,246,869
Accts., etc., pay.	172,853	117,503
Taxes pay §	21,797	26,140
Total curr. liabs.	1,800,930	1,390,512
Unearned income	316,435	231,962
Conting. res.	97,820	89,834
Deprec. res.	9,936	6,692
Funded debt	481,229	493,875
Capital stock	610,000	610,000
Earned surplus	79,539	49,163

§Incl. in deferred liabs. in co's report.

Working capital	1,535,495	1,425,543

BRITISH COLUMBIA POWER CORP. reports consolidated net profit of $2,303,258 for 1949, 11.5% lower than 1948's $2,603,485. Earnings were depressed by about $480,000 as a result of water shortage early in the year. Gross revenues at $39,632,303 were up 7.38%. Kilowatt hours sold totaled 1,104,798,068, an increase of 16.08%; cubic feet of gas sold, at 3,390,434,000 was up 5.98%, while passengers carried and railway freight tonnage each fell slightly. Operating expenses of $33,559,695 were 6.22% higher.

Number of customers was 13,116 higher at 215,960 and average annual consumption rose from 1,812 to 1,977 kwh.

Rate increases for railways and for transportation in the Greater Victoria area, and interim increases in Vancouver were granted during the year.

Net property additions totaled $26,743,381, the largest item being the Bridge River hydro-electric development, where the second and third units were placed in operation. President A. E. Grauer reports that 1950 budget calls for expenditures of around $23 millions, of which $17 millions is in the electric service, $0.8 million in gas and $5.5 millions on transportation.

The one-hour peak load for the lower mainland system, exclusive of export, was 279,000 kw on Dec. 19, 11.1% higher than the maximum hour in 1948.

During the year, $3 million preferred stock and $17 million bonds were issued by B. C. Electric and 240,000 class "A" shares were sold by B. C. Power at $27.50 a share. In February, 1950, B. C. Electric sold an additional $6 million preferred shares, and further capital requirements may be obtained by an issue of bonds.

In October, the company was granted a new 20-year franchise by New Westminster.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Gross oper. rev.	39,632,303	36,910,053
Net income	13,134,461	10,782,734
Less: Depr. & renew.	4,724,453	3,407,925
Inc. tax res.	2,248,980	1,952,250
Add: Inv. prof.	56,808	15,223
Net revenue	6,217,636	5,437,782
Less: Fixed Charges:		
Bond int.	2,601,602	1,864,698
Bd. disc. w/o	212,686	168,719
Subs. pf. divs.	1,100,090	800,880
Net profit	2,303,258	2,603,485
Less: Cl. A divs.	1,696,000	1,600,000
Surp. for year	607,258	1,003,485
Times Fixed Charges Earned:		
Before depr. & renewals	2.80	3.12
After depr. & renewals	1.59	1.92
Earnings per Share and Dividend Record:		
Class A†	▪$1.86	$2.60
Class A‡	*	2.30
Paid	1.60	1.60
Class B	†d0.18	‡0.30
None paid.		

†Before (‡after) participation.
*No earnings available for participation.
▪Based on 1,240,000 shs. o/s at Dec. 31, 1949; based on average number of shs. o/s during year, cl. A earned $2.24.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash, mkt. bds.	$320,115	$1,027,369
Accts. rec.	4,597,729	3,701,705
Inventories	5,861,231	5,857,755
Total curr. assets	10,779,075	10,586,829
Prep. exp.†	134,878	82,547
Inv. cos. shs.*§	......	666,540
Empl. pens. fund	3,456,316	3,356,530
Bd. refund. exp.	3,314,311	2,624,108
Constr. funds.	......	411,194
Other assets♦	1,403,287	2,240,306
Fixed assets▪	188,747,600	163,714,407
Total assets	207,835,467	183,682,461
Accts. pay.	3,969,570	4,466,326
Bank overdraft	563,805	......
Taxes pay.	2,087,348	2,603,476
Construct. acct.	2,400,000	4,500,000
Other curr. liabs.	2,746,737	2,199,797
Total curr. liabs.	11,767,460	13,769,599
Funded debt	88,639,251	72,478,650
Gen. acc. res.	1,095,155	1,041,640
Empl. pens. fund	3,456,316	3,356,530
Subs. cap. stk.	26,987,140	23,987,446
Capital stock	65,370,000	59,250,000
Capital surplus	6,115,765	6,115,765
Earned surplus	4,404,380	3,682,831
▪After depr. of	46,598,343	44,888,155
§Market value	......	453,357
♦Incl. ref. EPT	250,000	1,264,500

*Held by subsid.
†Incl. in curr. assets in co's report.

Excess of curr. liabs. over curr. assets	988,385	3,182,770

WOODS MANUFACTURING CO. net profit of $23,819 for 1949 is off sharply from the 1948 figure of $201,078.

In the bag business, labor troubles in customers' plants and, for about two months, in the company's own plant at St. Lambert, badly dislocated operations. Cuts in flour exports resulted in a low demand for bags from the flour and feed mills. In the jute bag field, India devalued its currency, while Pakistan did not. This resulted in serious burlap shortages and prices rose. Textile mill operations were at a reasonable level except for about two months in the summer when they were curtailed due to drop in demand. This improved in the third quarter when full operations were resumed.

Devaluation increased some operating costs and gave Britain some advantage. Japanese imports have been growing rapidly.

Capital expenditures totaled $419,765. President H. Crabtree stated that it is not expected the appeal on expropriation of the Hull plant will be heard until April, 1950.

A program to replace the old looms at the Welland mill, at a cost of $1,500,000, is under consideration.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$520,306	$854,980
Less: Deprec.	458,987	514,594
Bond int. (net)	37,500	30,308
Income tax	......	109,000
Net profit	23,819	201,078
Less: Com. divd.	129,106	129,106
Surplus for year	▪105,287	71,972

▪Deficit.

Earnings per Share and Dividend Record:		
Common	$0.37	$3.11
Paid	2.00	2.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$50,938	$158,412
Accts. rec.	1,094,050	931,250
Inventories	2,473,717	2,675,201
Total curr. assets	3,618,705	3,764,863
Prepaid exp.§	37,808	15,869
Misc. assets♦	479,800	555,800
Investments†	250,000	250,000
Invest. in subsid.	150,000	150,000
Invest. in assoc. cos.	63,847	63,847
Fixed assets*	2,896,408	2,718,567
Total assets	7,496,568	7,518,946
Bank loans	499,000	......
Accts., etc., pay.	1,003,213	1,467,495
Taxes pay.	19,066	201,333
Total curr. liab.	1,521,279	1,668,828
General res.	1,000,000	1,000,000
Funded debt	1,000,000	1,000,000
Capital stock	1,564,960	1,564,960
Surplus	2,410,329	2,285,158
*After depr. of	3,611,641	3,408,659
♦Incl. ref. EPT	84,000	160,000
†Market value	150,000	250,000

§Included in curr. assets in co's report.

Working capital	2,097,426	2,096,035

FITTINGS LTD., Oshawa, Ont. net profit for 1949 was $173,438, down 41% from the 1948 figure of $293,948. Depreciation increased from $48,365 to $159,939.

Capital expenditures amounted to $534,407. President A. G. Storie stated that a great deal remains to be done. He said he believed that the disquieting trade conditions now present will be successfully worked out.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$444,318	$554,634
Less: Deprec.	159,939	48,366
Income taxes	110,941	212,320
Net profit	173,438	293,948
Less: Cl. A divd.	29,534	29,534
Surplus for year	143,904	264,414
Earnings per Share and Dividend Record:		
Class A	$3.52	$5.97
Paid	0.60	0.60
Common	1.75	3.22
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$79,798	$433,821
Accts. rec.	410,963	440,738
Inventories	731,334	638,194
Total curr. assets	1,222,095	1,512,753
Prep. exp., etc.§	11,375	14,374
Misc. assets♦	5,030	20,234
Fixed assets*	1,227,038	848,331
Total assets	2,465,538	2,395,692
Total curr. liabs.	395,902	469,460
General res.	550,000	550,000
Capital stock	1,238,893	1,238,893
Earned surplus	280,743	137,339
*After depr. of	1,035,771	880,143
♦Incl. ref. EPT	......	7,448

§Incl. in curr. assets in co's. report.

Working capital	826,193	1,043,293

VERNEY CORP. reports consolidated net loss of $1,379,736 for 1949 against consolidated net profit of $3,466,806 in 1948. Net current assets of the Canadian subsidiary at Dec. 31, 1949, at the official exchange rate, amounted to $932,392. Net fixed assets, converted at the approximate rate of exchange at time of acquisition, stood at $895,541.

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INCOME TAX

Gives Farm to Son

I am a dairy farmer, and have been working on the farm with my father. It wasn't necessary for me to make out an income tax return previously but my father did. In December, 1948, my father had a stroke and since then is confined to bed. He signed the farm and stock over to me and since then the business is all done in my name. Now I have to make out an income tax return and my father does not. His income from investments is over $1,000. My income from common stock investments is about $2,400. I am married, no children. Should I send a tax return for my father along with my own? What other steps are necessary?

We suggest you write the inspector of income tax in your district. It seems probable your father will have to pay gift tax on the property turned over to you, subject to the usual exemptions. Then, of course, you should send in your own income tax return, and if your father's income exceeds $1,000, he is taxable also if he is single. If his wife is alive, he gets an exemption of $2,000.

INVESTMENTS

Steep Rock

Would you please provide me with some data of earnings, and earnings prospects of Steep Rock Iron Mines? What is their current level of output and what is their objective? What is the present capitalization? Is there any indication that dividends will be started shortly?

A net profit of $1,267,173 equal to almost 20c a share was realized by Steep Rock Iron Mines in the 10 months ended Oct. 31, 1949, representing the best showing achieved by the company to date. Prospects for earnings appear even better in 1950 due to devaluation of the Canadian dollar last September and the fact that there has been a further increase in the U. S. price of iron ore. But there is no immediate prospect of dividends. The company estimates that it will be 1955 before indebtedness is retired and consideration can be given to payment of dividends.

Productive capacity at present is 1,200,000 tons a year and capacity is now being lifted to four million tons a year through the placing in production of "A" ore body, expected to take about three years. However, further increase in earnings from mining of iron ore may be tempered slightly by increased costs attendant on underground mining.

The company has granted an option to lease "C" ore body area to Inland Steel Co. If Inland decides to proceed with its option and arranges for production on the basis of 4,000,000 tons annually, the royalty to Steep Rock might be very substantial.

As of Oct. 31, 1949, Steep Rock had outstanding $4,700,000 of 4% series A bonds due Dec. 1, 1957, $625,000 of 4½% series B bonds due Dec. 1, 1960, $2,250,000 of 5½% sinking fund debentures due Dec. 1, 1957, $2 millions of 5% series B preferred stock and 6,959,111 common shares. A further 666,666 common shares were received for preference share conversion rights; in addition options were outstanding on 339,333 common shares at $3 a share, good to Dec. 31, 1958.

Under financing arrangements completed in 1949, the series B bond issue is expected to be increased to $5,000,000 to provide balance of funds needed for expansion.

Ore reserves as at Sept. 5, 1949, were estimated at 71,000,000 tons but geological and other evidence suggests that a far larger tonnage than this can be expected in actual mining.

Hahn Brass

Would you please give me some information on Hahn Brass Co. in view of the special dividend it paid recently?

Hahn Brass Co. manufactures furniture and shelf hardware, hinges, trunk and baggage fixtures, kitchen cabinet, refrigerator and vestibule hardware, memorial tablets, brass and steel stampings, bookends, tray handles, brass and iron castings and other brass, copper and steel products for the requirements of diversified industries and trades.

Products are sold to manufacturers and to the hardware and metal equipment trade throughout Canada and, through exporting connections, in a number of foreign countries.

The company's plant at New Hamburg, Ont., is a complete manufacturing unit with approximately 35,000 sq. ft. of floor space.

Earnings per common share, after participation, have been $2.77 for the year ended June 30, 1949, $1.75 for the year ended June 30, 1948 and $1.16 for the year ended June 30, 1947.

Working capital has shown a substantial increase in the last four years and amounted to $427,286 at June 30, 1949, as compared with $248,822 at June 30, 1946.

Capitalization consists of 15,000 participating $1 cumulative preferred shares, no par value, and 25,000 no par value common shares. The preferred shares are entitled to cumulative dividends of $1 a share and in addition entitled to participate with the common, share-for-share, in any dividend paid for any year after common shares have received dividends totaling 60c out of the profits of any year. Dividends on the common have been paid at the rate of 60c a share a year since the payment of 30c on Jan. 1, 1947. The initial participating dividend of 20c a share on both the preference and common shares was paid Jan. 1, 1949.

You have seen that Hahn Brass Co. has declared special dividends out of surplus of $4.50 on the preferred stock and $4 on the common stock payable Feb. 22, 1950, to shareholders of record Feb. 15. The Financial Post understands that the company's action was a result of the receipt of a letter from the Government under Section 9(6) of the Income Tax Act deeming it to have paid a dividend from undistributed surplus.

The special dividends included preferred dividend of 50c which would normally be payable July 1, 1950, and any common dividend which would have been payable July 1, R. L. Hahn, secretary-treasurer stated in announcing the dividends.

Hahn Brass common at a price of $20 a share, the price you paid for it, would show you a return of 4% on the basis of the 80c paid in dividends in 1949.

GRANT H. ADAMS

sales promotion manager, Canadian Johns-Manville Co., Toronto, has been elected president, Canadian Circulations Audit Board.

Apparently the company had decided to continue that rate as it paid a participation dividend again on Jan. 1, 1950, of 20c a share. What the Government's action in forcing it to pay a larger dividend will now mean to its regular dividend policy is not known to us. I might also point out that at 20c a share Hahn Brass common is selling about 10.6 times its average earnings of $1.89 a share for the last three years. This is not a high times-earnings ratio.

Page-Hersey

What is the medium term outlook for Page-Hersey Tubes common stock?

Page-Hersey Tubes, Ltd. has just ended its best year in history and from current indications 1950 will be another good year. Common share earnings in 1949 were $2.98 as compared with $2.28 in 1948. Yield at current market price of around $47 a share is 3.83%.

The company is asking shareholder permission to seek $3 million new capital in form of 3⅛% 15-year debentures. Some of new money will go to maintaining adequate stocks of semi-finished steel for fabrication into large diameter pipe not previously made in Canada. Current production — chiefly for the petroleum pipeline from Edmonton to Superior, Wis. — is being sold on a conversion basis, the buyer furnishing the steel. After this company hopes to supply its own steel for potential contracts.

Outlook for company is considered brighter by discovery and expanding development of Western oilfields. At the moment the company is the only large one in Canada with the facilities to supply substantial quantities of large diameter pipe such as used in crude oil and natural gas transportation.

Spike Redwater

Would you tell me about the holdings and activities of Spike Redwater? Has the company built up any earnings and is there any prospect of dividends?

Spike Redwater Oil Co. was incorporated early 1949. It owns a quarter section in the St. Michel area and 320 acres in the Lloydminster area, Alta.

To date the company has had very little success. One well has been drilled in each of the above areas and each has been abandoned.

Capitalization of the company is five million shares of which 2,332,005 shares are outstanding. We know of no earnings being established.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BORDEN CO. reports record consolidated net profit of $21,890,479 for 1949, 14.1% higher than the 1948 net of $19,179,427. Although volume was maintained, dollar sales as a result of lower prices for some principal products, fell 5.5% from $649,592,375 to $613,763,267.

President T. A. Montague stated that, in Canada, combined fluid milk and ice cream operations were satisfactory but export and domestic sales of manufactured products declined and adversely affected income. Net income per dollar of sales fell from 2.77c to 1.5c.

The Canadian subsidiary is making substantial expenditures for delivery and refrigeration equipment, financed from earnings, and there were no dividends paid in 1949. It is expected that, exchange controls permitting, it will resume payment of dividends in 1950.

At Dec. 31, 1949, net current assets of Canadian subsidiaries, converted at the official exchange rate on that date, are included in the consolidated balance sheet at $5,543,028 and other assets of those subsidiaries, aggregating $7,372,402, are included at parity of exchange.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
	$	$
Net sales	613,763,267	649,592,375
Net earnings	45,484,817	39,049,192
Less. Interest	1,061,702	718,928
Depreciation	9,661,874	8,512,316
Income taxes	12,870,762	10,638,021
Net profit	21,890,479	19,179,427
Less: Dividends	11,593,320	10,944,885
Surplus for year	10,297,159	8,234,542
Earnings per Share and Dividend Record:		
Common	$5.10	$4.46
Paid	2.70	2.55

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$42,448,310	$46,972,815
Gov't securities	20,952,162	5,725,388
Accts. rec.	29,646,905	27,834,510
Inventories	48,988,814	57,636,783
Total curr. assets	142,036,191	138,169,496
Deferred chgs.	1,069,321	1,478,427
Invests. & misc., less res.	8,761,752	6,008,028
Fixed assets*	100,205,091	96,583,380
Total assets	252,072,355	242,239,331
Accts., etc., pay.	32,696,637	29,642,297
Taxes pay.	2,685,660	2,608,382
Total curr. liabs.	35,382,297	32,250,679
Notes pay.	45,800,000	47,200,000
Reserves	23,130,118	24,438,715
Capital stock†	62,195,158	62,587,106
Capital surplus	14,304,440	14,271,327
Earned surplus	71,260,342	61,491,504
*After depr. of	81,504,208	77,436,818
†Less treas. stock	4,074,212	3,682,264
Working capital	106,653,894	105,918,817

AMERICAN CYANAMID CO.: An additional 19,517 common shares have been issued upon conversion of 8,308 shares of cumulative preferred series "A" 3½% stock and 8 common shares have been issued upon consolidation of 800 100ths scrip, reducing number of preferred outstanding to 318,428 and increasing number of common outstanding to 2,915,696 shares.

MONARCH KNITTING CO. has purchased an additional 30 4½% cumulative redeemable sinking fund preference shares for cancellation, reducing number outstanding to 4,682.

TRADERS FINANCE CORP.: An additional 87,000 4% debentures have been converted into 4,350 class "A" common shares, making a total conversion of $1,231,500 debentures into 61,575 class "A" common shares. There are now 171,747 class A common shares outstanding.

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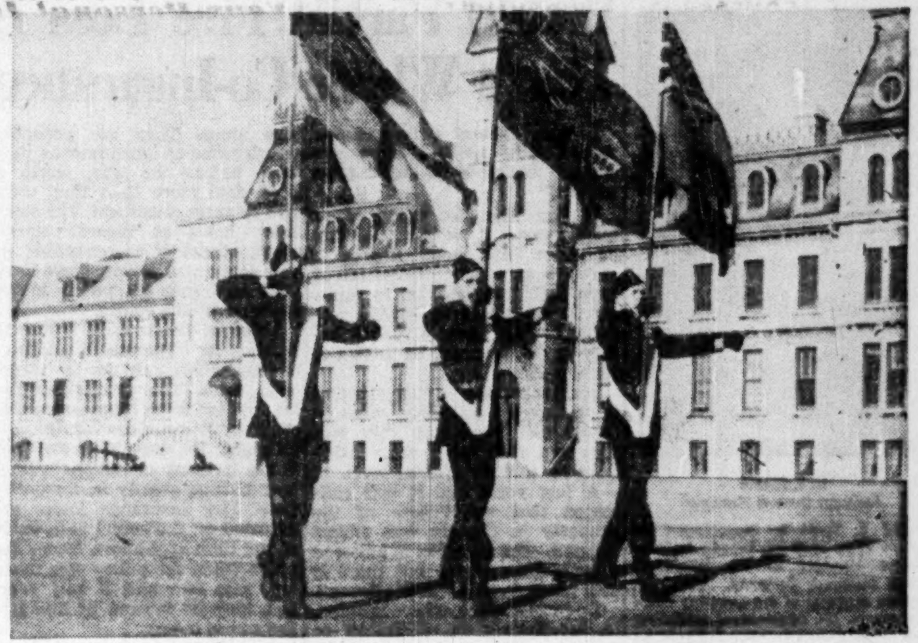


Applications
ARE NOW BEING ACCEPTED
for the term beginning September, 1950
CANADIAN SERVICES COLLEGES
Royal Roads and Royal Military College

The Canadian Services Colleges offer young Canadians a 4-year course in Arts and Engineering of recognized university standard. Graduates are commissioned in either the Active or Reserve Force of the Navy, Army or Air Force.

Entrance requirements
Candidates must be over 16 and under 20 years of age as of Jan. 1st, 1950.* Candidates must have Senior Matriculation or equivalent.

Fees
Fees are moderate. Board and residence are provided. Earnings from summer training courses are sufficient to defray costs after the first year.

**Naval applicants must be less than 19 years of age on 1st January, 1950 except applicants from French language classical colleges for whom the age limit is 20.*

A number of scholarships and cadetships are available in all three services.

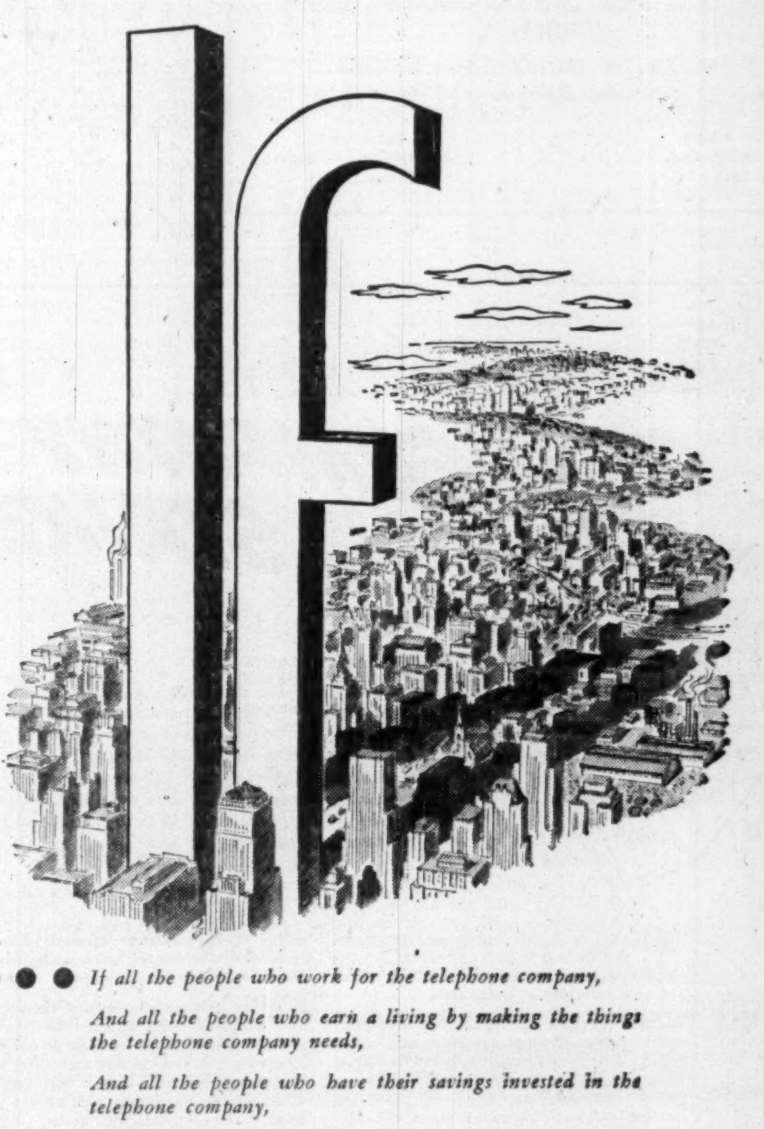
applications must be in by April 30, 1950

FOR FULL PARTICULARS APPLY IMMEDIATELY TO

The Registrar,
Canadian Services College,
Royal Roads,
Victoria, B.C.

The Registrar,
Royal Military College,
Kingston,
Ontario.

A GOOD EDUCATION • A TRAINING THAT BUILDS CHARACTER • A CHANCE TO SERVE CANADA



● ● ● *If all the people who work for the telephone company,*

And all the people who earn a living by making the things the telephone company needs,

And all the people who have their savings invested in the telephone company,

And all the people who depend on good telephone service to run their businesses and manage their homes;

If all these people, with their families, lived in one city,

This City-With-No-Name would be by far the largest in Canada, and one of the largest in the world.

Keeping pace with the growing needs of communities everywhere for more and better telephone service has taken lots of work and lots of money.

Only a financially healthy telephone company can carry on this big job.

Telephone users, employees, shareholders — everyone has a vital interest in a service that means so much to the welfare of so many people.

THE BELL TELEPHONE COMPANY OF CANADA

Owned and operated by Canadians for Canadians

Would Partial Fire Loss End Business? That's Where Co-Insurance Proves Useful

H. S. FERRIS
Assistant General Manager

Howard S. Ferris by appointment on January 27th, 1950 has become Assistant General Manager of the Wawanesa Mutual Insurance Company. Announced with the approval of the Company Board of Directors, the appointment marks one more forward step for Mr. Ferris in his career in the insurance business with the Wawanesa. Mr. Ferris joined the organization on March 12th, 1923. Hard work and the keen intention to learn the insurance business brought both extensive experience and quick promotion. He was placed in charge of agent's accounts, later being made Office Manager at Head Office. Mr. Ferris was executive assistant until his recent promotion to the position Assistant General Manager. ✻

If your factory or warehouse should burn tonight, have you enough insurance to make good the loss?

If you are like many other businessmen it would probably be about 30% short. Reason is that property owners often fail to keep their insurance up to value. But if you have only $30,000 protection when your $100,000 factory burns, you may be unable to start again.

Main safeguard in this situation is to know accurately what it would cost to replace your factory and then keep your insurance up to the required level.

A few years ago it was estimated that about 45% of the property in Canada was underinsured. The situation is believed a little better now, but there is still much room for improvement.

Underinsurance, where it exists, is due mainly to parsimony or neglect.

Some property owners say they have never had a fire; don't need insurance. That if a fire comes it won't result in a total loss. So they either don't insure at all or if they do, they insure for only part of the value.

Most cases, however, are due to failure to realize the changes in property values. Take buildings alone. They are probably worth twice as much now as they were before the war, worth a good deal more than they were two or three years ago. The same thing holds as regards equipment, stocks of merchandise, or raw materials. If you don't keep your insurance up, you're in for a shock, if fire comes.

Some of the trouble is due to policies on commercial buildings or stocks written for a three-year term. The property-owner is apt to think that once his property is insured, everything is all right. He doesn't realize that under present conditions values may change greatly in a month's time. Fire insurance losses are adjusted on the actual cash value at the time of the loss. Hence the value when the policy was taken out, say, two and a half years ago, may be far out of line if a fire comes today.

Accordingly if you have not had your property appraised recently you had better do so immediately. There are experienced reputable firms that make appraisals of buildings and contents and when you have such an appraisal you have a figure that you can rely on yourself and that will be accepted by an insurance company. Having this you can then examine your insurance to see whether it is adequate or not.

What Co-insurance Means

Here's where co-insurance comes in.

What is co-insurance?

It means just what it says. The property-owner becomes a co-insurer with the insurance company. That is, he agrees to insure his property up to a certain percentage of the total value, (in Canada usually 80%, sometimes 90%) and keep the insurance at that level. The owner makes good the other 20% (or 10%) if fire comes and damage exceeding the 80% or 90% occurs.

But if he does not keep his insurance up to the required percentage, then in case of partial damage, his indemnity would be reduced in the same proportion that the insurance he carries falls short of the amount set in the co-insurance agreement.

Co-insurance means to "join with" in insuring. For example: if you own property worth $100,000 and you insure it for only $50,000, then theoretically you join with the insurance company by carrying the balance of the risk yourself. Insurance rates are figured on a basic amount of insurance to value. The co-insurance clause rewards property owners for insuring within reasonable limits by giving a rate reduction when the clause is used.

When the 80% Co-insurance Clause is attached to a policy, it means that the owner of the property should insure for 80% of its value. For instance, a property worth $100,000 should be insured for $80,000. Then if a total or partial loss occurs the owner is fully indemnified up to a maximum of $80,000. But if it is insured for only $40,000, then the owner would only collect 4/8 of any loss.

How Co-insurance Works

Here's an example. Take a property valued at	$100,000
Insured with 80% co-insurance clause in the policy for	$ 80,000
But the owner despite the co-insurance clause insured for only	$ 40,000
Damaged by fire to extent of	$ 20,000
Owner would collect 4/8th or	$ 10,000
And owner would be co-insurer for ...... as his uninsured share of the damage.	$ 10,000

But if the insurance had been kept up to $80,000 or 80% of total value, the insured would collect the loss in full, up to $80,000.

The same thing applies as regards stocks of goods, raw materials, etc. insured with a co-insurance clause.

Accordingly, if you have a co-insurance clause, the important thing is to see that your insurance is kept up to the required percentage.

It is a matter of great importance to the insurance companies that property be insured to value or that the percentage noted in the co-insurance clause be maintained. Main reason is that so many of the losses in Canada are partial losses.

Here's how the companies look at it:

Suppose you have a fire in a good fire-resistant building, worth $50,000, insured for $25,000 in a municipality where there is a good fire department. It is usually extinguished before the property is completely destroyed. In such cases, the company pays the entire loss, say $10,000, while receiving a premium based on only part of the value. The partial loss may be a total loss as far as the insurance company is concerned.

W. K. WHITEFORD

has been appointed a director, The Steel Co. of Canada, Hamilton. He is president, British American Oil Co.

If there is co-insurance kept up to the required percentage the full amount of a partial loss is collected by the insured but the company gets a premium it considers fair under the circumstances.

The Co-Insurance Clause

Here's how the co-insurance clause in a standard policy reads:

.........% CO-INSURANCE CLAUSE ATTACHED TO POLICY NO...................

It is part of the consideration of this Policy, and the basis upon which the rate of premium is fixed, that the insured shall maintain insurance concurrent in form, range and wording with this Policy on each and every item of the property hereby insured, to the extent of at least ....per cent. of the actual cash value thereof, and that, failing so to do, the insured shall be a co-insurer to the extent of an amount sufficient to make the aggregate insurance equal to ....per cent. of the actual cash value of each and every item of the property hereby insured, and, in that capacity, shall bear his, her or their proportion of any loss that may occur. Each division or sub-division (if any) of the sum insured shall be deemed to be an "item."

Apart from the lower premium that is charged where there is co-insurance, the main advantage is that co-insurance tends to make the owner get an appraisal of the value of his property from time to time.

In all cases the value of an official appraisal is obvious. Apart from every other advantage, it prevents the chance of an argument over value when a loss occurs.

Because of the advantages of keeping insurance adjusted to value whether there is co-insurance or not, many people feel that appraisals should be made at fairly frequent intervals, at least once a year or more, on buildings, once a month on contents.

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Lumbermens
MUTUAL CASUALTY COMPANY
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A GOOD NAME

The reputation acquired by us since 1904 has been built up from the exclusive attention we have given the insurance needs of our clients.

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Inspection Service since 1904

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ELgin 6401

606 Cathcart St.,
MONTREAL, Que.
PLateau 8595

CERTIFICATE OF INSURANCE

Notice is hereby given that Certificate of Registry No. C 1208 has been issued to the Fire Association of Philadelphia (Philadelphia, Pa.) authorizing it to transact in Canada the business of FIRE INSURANCE, AIRCRAFT INSURANCE, excluding insurance against liability for loss or damage to persons or property caused by an aircraft or the use or operation thereof, AUTOMOBILE INSURANCE, excluding insurance against liability for loss or damage to persons or property caused by an automobile or the use or operation thereof, INLAND TRANSPORTATION INSURANCE, PERSONAL PROPERTY INSURANCE, REAL PROPERTY INSURANCE and, in addition thereto, Civil Commotion Insurance, Earthquake Insurance, Falling Aircraft Insurance, Impact by Vehicles Insurance, Limited Hail Insurance, Limited or Inherent Explosion Insurance, Sprinkler Leakage Insurance Water Damage Insurance and Windstorm Insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company.

J. J. Kilgour, chief agent in Canada.
Toronto, Ont., March 2, 1950.

COMPANY REPORTS

ROYAL-LIVERPOOL insurance group comprising the Royal Insurance Co., the Liverpool and London and Globe Insurance Co., and their associated companies reports that in 1949, its 100th year of operation in Canada, payments to or on behalf of policyholders were at the highest level in the group's history. Payments of $4.4 millions represented well over 20,000 claims of all types, James Matson, C.B.E. Canadian manager of the group told Montreal directors at their regular meeting.

The centennial year was also marked by the highest premium income in history, this income coming from policyholders across Canada, from Newfoundland to Vancouver Island and from the United States border to Yellowknife, Churchill and Dawson City. The fire department continued its policy of inspecting insured properties with the several objectives of reducing risk to life, and property reducing claims and hence reducing premiums payable by policyholders, Mr. Matson said. Extension to new areas of financial responsibility laws created a demand for automobile insurance, he stated and added that nevertheless the attitude of many motorists and the increasing cost of repairing vehicles made the satisfactory underwriting of automobile business difficult. A small underwriting loss was incurred in this department.

Increased public desire to insure against everyday accidents brought an increase in casualty insurance.

The expense ratio dropped from 44% to 41%, company expenses falling from 16% to 15% with agents remuneration receding from 24% to 23%. Results of the group for 1949 excluding life insurance are as follows.

	1949 $	1948 $
Premiums written ...	10,240,119	8,814,364
Premiums earned	9,520,862	8,294,349
Losses for year	4,412,818	3,896,310
Company expenses ..	1,519,586	1,417,657
Taxes	311,806	343,767
Agents' remuneration.	2,345,714	2,109,290
Underwriting profit .	930,938	527,325
Total assets held against liabs. in Can.	17,502,587	16,604,228
Surplus over liabs. ...	7,860,272	7,435,520

MONTREAL LIFE INSURANCE CO. shows business in force at the end of 1949 at $111.8 millions, an increase of about $6 millions while assets also reached a new high level at $20.0 millions. At the annual meeting, President A. P. Earle stated that while it took 39½ years to build the first $20 millions of assets, it seemed likely the second $20 millions would be accumulated in an additional ten years. Premium receipts for the year, exclusive of single premiums, rose $158,262 to over $2.6 millions. Investment income netted $850,356. Total premium and investment receipts were $3.4 millions.

Mortality rate continued favorable. Average rate of interest earned on invested assets in 1949 was 4.77% (4.59% in the previous year).

	1949 $	1948 $
Insurance in force .	111,779,222	105,749,915
Total assets	20,082,425	18,416,475
Interest earned	4.77%	4.59%

STANDARD PAVING & MATERIALS LTD.: During February an additional 60 shares of preferred stock have been surrendered for conversion into 120 shares of common, reducing number of preferred outstanding to 47,692 and increasing common outstanding to 189,968 shares.

LAPA CADILLAC GOLD MINES shows a net loss of $2,413 for the year ended June 30, 1949, increasing the deficit account at that date to $566,013. The company was engaged almost solely in the furtherance of the activities of the two silica operations in which it has large interests, Kingston Silica Mines and Canadian Silica Corp. The former company, although its sales were 25% higher, sustained a small net loss and the latter earned an operating profit of $45,000.

CERTIFICATE OF REGISTRY

NOTICE is hereby given that the Mutual Implement and Hardware Insurance Company has been granted Certificate of Registry No. C-1206 by the Dominion Insurance Department authorizing it to transact in Canada the business of Personal Accident Insurance and Sickness Insurance in addition to the classes for which they are already registered.

Cycle Skids on Paint on Road No "Mercy Fund" Indemnity

Some article or material falls off an automobile traveling on the road. Somebody comes along behind, collides with it or is injured because of it. Can the injured party claim damages under the unsatisfied judgment section of a provincial highway Act?

According to a judgment in the Ontario Court of Appeal, such a claim would not be allowed. Here's what happened:

A motor truck was being driven along the highway at Brantford, when a can of paint fell off, burst open and spilled a blob of paint over the pavement. The driver of the truck stopped, picked up the empty can and proceeded on his way.

A motorcycle slipped on the wet paint on the pavement, throwing the rider and causing him serious injuries. He claimed that the accident "was caused solely by the dangerous condition of the pavement due to the spilt paint which created in the nature of a trap."

Evidently the identity of the truck or its driver was not known and the injured party made his claim under the Unsatisfied Judgment Fund clauses of the Ontario Highway Act, 93e(2)(a).

The clause in question authorizes a claim against the Unsatisfied Judgment Fund where death or injury is caused by a motor vehicle and where the identity of the driver and owner of the vehicle cannot be established, provided the judge is satisfied the applicant for damages would have a cause of action against the owner or driver of the automobile in respect of death or personal injury occasioned by the vehicle.

In the county court, the judge authorized the injured party to bring action against the Registrar of Motor Vehicles, according to law when the owner of an offending vehicle is unknown. The original authority was set aside by an order in chambers and an appeal then taken to the Court of Appeal.

Court decided that the injuries sustained by the claimant were not caused by the vehicle carrying the paint and therefore there was no valid claim against the owner of the vehicle.

One party commenting on the case said there might have been an action against the driver of the truck for negligence in leaving the pavement in a dangerous condition. But the Unsatisfied Judgment Fund clauses deal only with injuries caused by a motor vehicle and therefore the appellant had no claim under that section of the law.

INTERNATIONAL METAL INDUSTRIES LTD.: An additional 260 4½% preferred shares have been purchased for redemption, reducing number of preferred outstanding to 34,844 shares.

THE
LONDON &
LANCASHIRE
GROUP

The London & Lancashire Insurance Co. Ltd.
•
Mercantile Insurance Co.
•
Quebec Fire Assurance Co.
•
The Queen City Fire Insurance Co.
•
Hand-in-Hand Insurance Company
•
The London & Lancashire Guarantee & Accident Co.
•
Merchants Fire Insurance Co.
•
Law Union & Rock Insurance Co. Limited

Offering
SECURITY & SERVICE
in these types of insurance

★ FIRE
★ INLAND MARINE
★ AUTOMOBILE
★ LIABILITY
★ ACCIDENT & SICKNESS
★ PLATE GLASS
★ BURGLARY
★ BONDS

THE LONDON & LANCASHIRE GROUP
OFFICES
TORONTO SAINT JOHN QUEBEC
MONTREAL WINNIPEG VANCOUVER

THERE'S A Better WAY
of tieing up your policyholders' business

USE THE FRIENDLY, INTERESTED AND UP-TO-DATE SERVICE OF
THE CANADIAN FIRE INSURANCE COMPANY
THE CANADIAN INDEMNITY COMPANY
HEAD OFFICE: WINNIPEG

Few people can kill it singlehanded!

THIS IS THE PUT-OFF BIRD.

He usually appears just when you're deciding to do something that should be done without delay. Then he tries to talk you out of it.

When you're planning a trip, he'll tell you not to bother making reservations. Or when you have a slight toothache, he'll say: "Don't worry, pal – it'll soon go away. Besides, you're too busy to go to the dentist today!"

Oh, he's a sly one, this Put-Off Bird! And such a trouble-maker that he even tries to get fathers to neglect their family's financial security. But fortunately a deadly enemy of this bird often appears at such critical moments – and saves the day.

This enemy of the bird – and friend of fathers – is *the life insurance representative*. Aiming a few realistic facts at the mischievous creature, he kills it deader than its cousin, the Dodo. Its dangerous propaganda is silenced. And always the father then realizes why he should act to protect his family *immediately*.

Thus the life insurance representative helps prevent countless people from having to depend on charity or relatives for their support in years to come.

Life underwriters help people in *other ways*, too. They are trained to analyze all the facts related to the family's future needs . . . then build a sound life insurance plan that meets those needs *exactly*.

More than a million Canadian families have benefited by the services of the modern life underwriter. And he's always glad to help *you!*

A helpful citizen in your community

When a life insurance representative sells you a policy, *he also helps to improve your community*. For a large part of each life insurance dollar is put to work through investments to build schools, bridges, highways, industrial plants and many other projects that create jobs and make for better living. *You* share in these improvements, made possible through the efforts of your helpful fellow-citizen – the life underwriter!

LIFE INSURANCE . . . *Guardian of Canadian Homes*

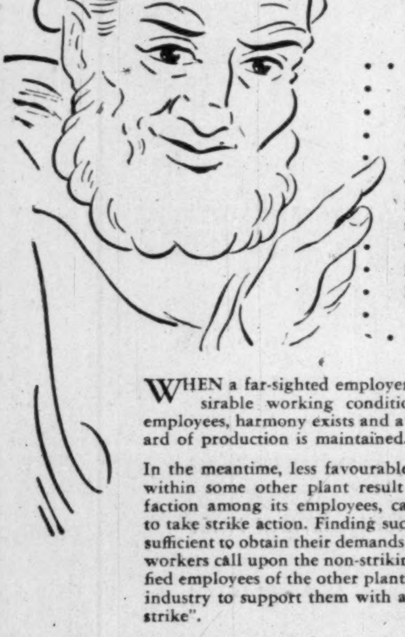
A message from the more than fifty Life Insurance Companies in Canada

L-1098

United States Fidelity & Guaranty Company

CONSULT your AGENT OR BROKER as you would your doctor or lawyer

34 King Street East
TORONTO



Aesop talks on...
SYMPATHY STRIKES

2000 YEARS AGO AESOP SAID:

A gardener, noticing that his dog had fallen into the well, plunged in and rescued the dog. As he was bringing the dog to the surface, the ungrateful animal bit his master's hand. "Monster!" cried the gardener, "if that's the way you repay the man who feeds you, pets you and saves your life, then pull yourself out of the well!" With that, he dropped the animal back into the water.

WHEN a far-sighted employer creates desirable working conditions for his employees, harmony exists and a high standard of production is maintained.

In the meantime, less favourable conditions within some other plant result in dissatisfaction among its employees, causing them to take strike action. Finding such action insufficient to obtain their demands the striking workers call upon the non-striking and satisfied employees of the other plants within the industry to support them with a "sympathy strike".

Result – an entire industry rather than an offending plant is penalized.

Such action effectively undermines free enterprise by removing the incentive for progressive management. How can "sympathy strikers" expect employers to concern themselves about employee interests when the employees themselves were so lightly concerned with company interests.

A recent independent survey showed 51% of Canadians were opposed to "sympathy strikes" while 13% remained undecided. The weight of evidence is, therefore, against "sympathy strikes". This is not surprising when you consider that such an act is contrary to the Canadian idea of fair play.

• • •

The Union Insurance Society of Canton has provided insurance safeguards against many types of hazard for more than a century . . . consistently maintaining the highest standards of integrity. The services provided by the "Union of Canton" make an indispensable contribution to the well-being of our Canadian economy.

UNION INSURANCE SOCIETY OF CANTON
LIMITED
FIRE • MARINE • GENERAL INSURANCE EST. 1835

Head Office for Canada: Toronto • Branch Offices: Montreal, Winnipeg, Vancouver
Colin E. Sword, Manager for Canada

COMPANIES OF THE "UNION OF CANTON" GROUP: BRITISH TRADERS INSURANCE COMPANY LIMITED
THE BRITISH OAK INSURANCE COMPANY LIMITED • BEAVER FIRE INSURANCE COMPANY
Also under same management in Canada: THE SOUTH BRITISH INSURANCE COMPANY LIMITED

62E

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 270

Notice is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the quarter ending 29th April, 1950. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the first day of May, 1950, to shareholders of record of the 15th April, 1950.

By Order of the Board.

A. C. ASHFORTH,
General Manager.

Toronto, 9th March, 1950.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 253

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 29th April, 1950, and that the same will be payable at the Bank and its Branches on and after MONDAY, the FIRST day of MAY next, to Shareholders of record at the close of business on 31st March, 1950. The Transfer Books will not be closed.

By Order of the Board.

JAMES STEWART,
General Manager.

Toronto, 10th March, 1950.

THE BANK OF NOVA SCOTIA

DIVIDEND NO. 322

Notice is hereby given that a Dividend of thirty-five cents per share on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of 31st March, 1950, and that the same will be payable on and after Monday, the first day of May next, at any of the offices of the Bank in Canada.

By Order of the Board.

C. S. FROST,
General Manager.

Halifax, N.S., 14th March, 1950.

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of thirty cents (30c) per share has been declared on the no par value common shares of the Company for the quarter ending March 31, 1950, payable May 25, 1950, to shareholders of record April 15, 1950.

By Order of the Board,

**J. L. T. MARTIN,
Secretary.**

Montreal, March 15, 1950.

CANADA FOILS, LIMITED

DIVIDEND NOTICE

Class "A" Shares of No Par Value

Notice is hereby given that the regular quarterly dividend of fifteen cents (15c) per share (being at the rate of 60c per share per annum) and a participating dividend of twenty cents (20c) per share will be paid on the 15th day of May, 1950, to shareholders of record at the close of business on the 1st day of May, 1950.

By Order of the Board.

W. A. RENNIE,
Secretary.

Toronto, Ontario,
March 9th, 1950.

CANADA FOILS, LIMITED

DIVIDEND NOTICE

Common Shares of No Par Value

Notice is hereby given that a dividend of ten cents (10c) on the Common shares of No par value will be paid on the 15th day of May to shareholders of record at the close of business on May 1st, 1950.

By Order of the Board.

W. A. RENNIE,
Secretary.

Toronto, Ontario,
March 9th, 1950.

Donnell & Mudge Limited

DIVIDEND NOTICE

Notice is hereby given that the Directors of Donnell & Mudge Limited have declared the regular quarterly dividend of 25c per share on the outstanding Class "A" Shares of the Company, for the quarter ending 31st March, 1950, payable 1st April, 1950, to holders of record at the close of business on the 20th day of March, 1950.

By Order of the Board.

H. C. DWYER,
Secretary.

Dated at New Toronto, Ontario,
16th March, 1950.

PENMANS LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 30th day of April, 1950.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of May to Shareholders of record of the 3rd day of April, 1950.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of May to Shareholders of record of the 17th day of April, 1950.

By Order of the Board.

L. P. ROBERTON,
Secretary-Treasurer.

Montreal, March 16, 1950.

DIVIDEND DECLARED

At a meeting of the Directors of Atlantic Wholesalers, Limited, held at Head Office of the Company at Sackville, N.B., on March 17th a dividend of 10c per share on the Class "A" and Class "B" shares of the company's stock was declared payable April 1st to shareholders of record March 17th.

R. G. SHARPE,
Secretary.

OIL PRODUCTION

Wells of Royalite, Triad Find Good Pay Thickness

From Our Own Correspondent

CALGARY — Royalite Oil Co. and Triad Petroleums are off to a good start on their joint drilling program in the Simmons area. Results so far secured "fill in" the gap between the Redwater and Simmons sections, tend to further enhance the growing reserves of Alberta's greatest oil area.

On the southeast quarter of section 36 for which Royalite and Triad paid $1,519,000, the D3 has been penetrated by two wells in the southerly 80 acres. Preliminary data are to the effect that the easterly well secured 164 ft. of D3 above the water line with the westerly well securing 166 ft. Both wells will likely take production from close to 155 ft. of pay zone.

In a quarter adjoining to the north for which the Royalite-Triad team paid $1,414,000, the D3 was topped at about 143 ft. above the water line from preliminary data. The pay zone may be about 133 ft. in this well.

Some adjustment of the thicknesses reported above may be necessary when final data are received, it is stated.

* * *

Imperial Up to 140 at Redwater

Imperial Oil has raised its number of successful wells in the Redwater area to 140 with rigs moved from three further successes.

Two more wells are being started at Redwater and one at Leduc.

Pacific Excelsior No. 2 and Imperial-Excelsior No. 2 are both completing final potential tests in the Excelsior area.

* * *

Rio Bravo Steps Out

Rio Bravo Oil Co. has lined up an additional 834,118 acres of Crown oil and gas rights in west-central Alberta to bring to around 3,289,000 acres the total of ground being explored by this U. S. company on Canadian prairies.

Highlight of the new committments—involving 10 Crown reservations issued to five subsidiary companies of Rio Bravo — is a shift into one of the few remaining virgin areas of Alberta. Most of the new lands are in the virgin prospective oil country just west of the current central Alberta plains play of a host of companies, and to the east of the Rocky Mountain and Foothills belt.

DIVIDEND NOTICES

DIVIDEND NOTICE

HENDERSHOT PAPER PRODUCTS, LIMITED

The Board of Directors of Hendershot Paper Products Limited, at a meeting thereof held on March 16th, 1950, declared a twelfth quarterly dividend of 25c per share on all outstanding Common Shares of the Company, payable April 1st, 1950, to shareholders of record as at the close of business March 24th, 1950.

By order of the Board.

W. A. W. Dickson,
Secretary-Treasurer.

DIVIDEND NOTICE

HENDERSHOT PAPER PRODUCTS, LIMITED

The Board of Directors of Hendershot Paper Products Limited, at a meeting thereof held on March 16th, 1950, declared a dividend of $2.50 per share on the outstanding 5% Cumulative Redeemable Preference Shares of the Company payable April 1st, 1950, to shareholders of record as at the close of business March 24th, 1950.

By order of the Board.

W. A. W. Dickson,
Secretary-Treasurer.

DOMINION GLASS COMPANY LIMITED

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1950.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1950.

The above Dividends will be paid on Saturday, the 15th day of April, 1950, to Shareholders of record at the close of business Tuesday, the 28th day of March, 1950.

By Order of the Board.

F. N. DUNDAS,
Secretary.

Montreal, 1st March, 1950.

SILVER-MILLER MINES Limited

(NO PERSONAL LIABILITY)

NOTICE OF DIVIDEND

NOTICE is hereby given that a dividend of Five Cents (5c) per share in Canadian Funds, has been declared payable on Saturday April 29th, 1950, to shareholders of the Company of record at the close of business on Saturday, April 1st, 1950.

By Order of the Board

JOHN W. TOVELL
President

TORONTO, ONTARIO
MARCH 7, 1950

NOTICES

MONTREAL TRAMWAYS COMPANY

ANNUAL GENERAL MEETING

Notice is hereby given that in accordance with the By-laws of the Company, the Annual General Meeting of the Shareholders of MONTREAL TRAMWAYS COMPANY will be held at the Company's Offices, Tramways Building, 159 Craig Street West, Montreal, P.Q., at 12 o'clock noon, on Thursday, the 20th day of April, 1950. This meeting will be held for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said meeting.

The Transfer Books will be closed from the 31st day of March, 1950, to the 19th day of April, 1950, both days inclusive.

By Order of the Board.

T. D. ROBERTSON,
Secretary-Treasurer.

MONTREAL, February 21st, 1950.

Amalgamated Oils Limited

(In Liquidation)

NOTICE OF ANNUAL GENERAL MEETING

TAKE NOTICE that the Annual General Meeting of the shareholders of Amalgamated Oils Limited (in Liquidation), will be held in the office of the Crown Trust Company, 227 Eighth Avenue West, in the City of Calgary, in the Province of Alberta, on Friday, the 31st day of March, 1950, at the hour of 10:30 o'clock in the forenoon, for the purpose of receiving and considering the Report of the Liquidator of the Company, the statement of Liquidator's Cash Receipts and Disbursements for the year ended November 30th, 1949, the Balance Sheet and Auditors' Report, approving the acts of the Liquidator, appointing Auditors and transacting such other business as may come before the meeting.

DATED at Calgary, Alberta, this 4th day of March, 1950.

**J. W. DICK,
Liquidator.**

COMPANY REPORTS

B. C. PULP & PAPER CO. reports net profit of $1,029,938 for 1949, down 68.1% from the 1948 net of $3,225,922.

Total production was 95,576 tons, of which 93% was dissolving pulp. Operations of each of the two plants was suspended for about three months. A large proportion of the company's products is used for manufacturing rayon in the U. S. and the market for these products was severely curtailed due to fall in demand for textiles and reduction of inventories. Although conditional sales of pulp to other countries were made, dollar shortages prevented more than limited shipments. In the latter part of the year, states President Lawrence Killam, demand for pulps for both rayon and paper manufacture again exceeded supply.

Estimated production for 1950 has been almost fully contracted with consumers on this continent on a basis of prices generally adjustable quarterly or on 15 days notice. An increasing amount of the most highly refined pulp for use in artificial silk manufacture is a feature of new contracts. Reductions in prices of all grades of pulp made during the past year have been partially offset by the premium on U. S. funds.

New boiler and turbo-generators at Port Alice are now in operation. The sawmill section of the wood preparing plant at Port Alice was destroyed by fire in December and is expected to be rebuilt completely by April. Temporary arrangements are providing the wood necessary for operation of the pulp mill.

Timber licenses in the district of the mill at Woodfibre covering an area estimated to contain 55 million feet were purchased.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$3,143,013	$6,037,510
Less: Deprec.	1,196,235	758,338
Depletion	12,040	93,250
Bond interest	204,750	210,000
Prov. for taxes	700,000	1,750,000
Net profit	1,029,988	3,225,922
Less: Pref. divds.	136,269	194,670
Surplus for year	893,719	3,031,252
Times Interest Earned:		
Before depr. & depl.	15.35	28.75
After depr. & depl.	9.45	24.69
Earnings per Share and Dividend Record:		
Pref.: Earned	$185.18	$579.99
Paid	7.00+17.50♦	7.00+28.00♦
Com.: Earned	9.91	31.87
None paid.		

♦Arrears.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$402,868	$29,403
Accts. rec.	2,425,203	2,331,619
Inventories	3,369,797	5,188,204
Total curr. assets	6,197,868	7,549,226
Adv. to contr.	188,414	231,247
Invest.	58,471	58,471
Deferred charges	387,349	258,991
Fixed assets*	13,974,555	12,869,606
Total assets	20,806,657	21,067,541
Bank loan	......	150,712
Accts & tax. pay.	1,602,342	2,647,180
Other curr. liab.	360,484	262,233
Total curr. liab.	1,962,826	3,060,125
Funded debt	5,500,000	5,800,000
Reserves	1,476,635	1,538,625
Capital stock	3,556,200	3,556,200
Earned surplus	8,310,996	7,112,591
*After depr. & depl.	9,982,025	8,749,288
Working capital	4,235,042	4,489,101

B. C. Bill To Tax Railway Timber

From Our Own Correspondent

VICTORIA — A 25% tax on timberlands of the Esquimalt & Nanaimo Railway on Vancouver Island is provided in a bill before the British Columbia Legislature.

Right to impose the tax has been the cause of prolonged litigation, which ended in a Privy Council decision in favor of British Columbia. Government sources estimate the tax will produce a revenue of $8 millions over the next 10 years.

Retroactive to February, 1946, it is applicable to all lands in the railway belt that have been disposed of by the railway or used for any other than railway purposes.

Payments can be made within three months, with a 10% discount, or spread over 10 years.

Canadian Pacific Railway, operator of the E & N, believes the tax to be violation of a pledge given by the Federal Government.

The land involved was deeded to the Federal Government by the province. Ottawa granted it to the railway tax free with the provision that a railway be constructed.

COMPANY REPORTS

NORANDA MINES realized record earnings in 1949. Net profit of $12,716,930 was equal to $5.68 a share against $4.45 a share in 1948 and $5.18 a share in 1943, the previous record year.

Revenue in 1949 included $2.45 a share from dividends and interest on investments as against $2.29 a share from this source the previous year.

Production of copper, gold, silver and pyrite were all substantially increased in 1949 as shown below:

	1949	1948
Horne copper, lb.	51,396,244	43,731,979
Horne gold, oz.	185,418	142,273
Pyrite output, tons	130,627	94,822

Tonnage of ore milled rose from 603,516 tons in 1948 to 794,152 tons in 1949.

With some 1,950 employees on payroll at end of 1949, it has been possible to increase substantially the amount of work at the Horne mine for the first time since the war, but it will take some years to restore the mine to normal conditions, President J. Y. Murdoch advises.

A heavy construction program was undertaken in 1949 and this is being continued in current year to rehabilitate smelting facilities. Close to $2 millions of capital expenditures were made in 1949.

Ore reserves of the Horne mine above the 2,975-ft. level, aside from the Chadbourne area, are estimated at 17,507,000 tons averaging 2.24% copper and 0.187 oz. gold plus 957,900 tons of fluxing ore averaging 0.09% copper and 0.121 oz. gold.

This compares with 18,528,000 tons of approximately the same grade a year earlier plus a similar tonnage of fluxing ore. In addition, preliminary estimates have been made of 3,370,000 tons of lower grade gold ore in the Chadbourne area and in the No. 5 zone of the Horne mine below the 2,975-ft. level.

The leased block of the Joliet-Quebec Mines contains some 900,000 tons of good fluxing material carrying about 1% copper, it is stated.

A large tonnage of low grade copper ore has been indicated at Gaspe Copper Mines but a very substantial capital investment will be necessary to bring this into production, Mr. Murdoch reports.

Companiea Minera La India had a $388,000 (U. S.) profit in 1949 against $499,000 in 1948.

INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Total income	24,612,719	19,597,435
Less: Oper. exp.	8,085,531	7,066,089
Net earnings	16,527,188	12,531,346
Less: Deprec.	447,476	321,403
Res. for taxes	3,107,714	1,999,900
Explor w/o	255,068	250,960
Net profit	12,716,930	9,959,083
Less. Divds.	8,959,088	7,279,259
Surplus for year	3,757,842	2,679,824
Earnings per Share	$5.63	$4.45
Paid	4.00	3.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$3,220,356	$2,797,324
Call loans	1,825,100	1,189,800
Accts. rec.	205,203	362,300
Bds. & stks.*	4,320,993	7,822,939
Smelt. & refin. toll	1,270,175	438,441
Ref. settlements	7,790,073	5,905,968
Supplies§	1,519,371	1,331,567
Total curr. assets	20,151,771	19,848,339
Mtge. loans	730,111	451,024
Chgs. to oper.	313,111	172,537
Prosp & expl.	144,524	160,233
Inv. in sub.	13,619,871	13,326,709
Inv. in affil. & other cos.	12,457,292	8,972,150
Adv. to sub. & affil. cos.	135,549	284,701
Mng. claims	919,779	919,779
Plant & equip.	16,457,055	14,723,041
Hotel, etc.	2,162,213	1,985,618
Less: Deprec.	15,959,467	15,507,807
Total assets	51,131,809	45,336,324
Accts. & tax pay.	3,192,042	2,416,641
Customs ore pay.	2,693,156	1,150,418
Unclaimed divds.	301,187	293,516
Total curr. liabs.	6,186,385	3,860,575
Invest. & cont. res.	5,051,559	5,339,726
Capital stock	11,303,140	11,303,140
Surplus	23,590,725	24,832,883
*Market value	4,663,688	7,875,810

§Incl. in deferred assets in co's report.

Cont. liab. — Guaranty of interest and principal on $3,300,000 mtge. bonds of Noranda Copper & Brass.

	1949	1948
Working capital	13,965,386	15,987,764

Grain Prices

Chicago Futures

Week to March 20, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Mar. 20
		Wheat—			
2.32¼	1.86	Mar.	2.32¼	2.29¼	2.29¾
2.22	1.19¼	May	2.22	2.19	2.20
1.99⅛	1.84	July	1.98	1.95⅛	1.96
1.99½	1.86¼	Sept.	1.98¾	1.96	1.96¾
2.01½	1.88½	Dec.	2.00¾	1.98¼	1.98¾
		Corn—			
1.34	1.13½	Mar.	1.34	1.29½	1.31¾
1.34	1.13⅛	May	1.34	1.30½	1.33
1.34	1.19	July	1.34	1.30¼	1.32¾
1.30	1.17½	Sept.	1.30	1.26¾	1.28¼
1.22	1.10½	Dec.	1.22½	1.18¼	1.20¾
		Oats—			
.79½	.62¾	Mar.	.79½	.76½	.79½
.73¾	.59¾	May	.73¾	.71½	.73
.67⅛	.56¼	July	.65¼	.63¾	.64¾
.66¾	.59¾	Sept.	.64¼	.63¼	.63¾
.65⅞	.61½	Dec.	.65¾	.63¼	.65¼
		Rye—			
1.59½	1.25¾	May	1.35¼	1.32	1.33¼
1.52¼	1.26½	July	1.37½	1.34	1.35½
1.47	1.28¼	Sept.	1.40	1.36¾	1.38½
1.44	1.31¼	Dec.	1.44	1.39½	1.42¼
		Soybeans—			
		Mar.	2.57¼	2.46½	2.52¼
		May	2.52¼	2.45	2.50½
		July	2.51¾	2.39¾	2.46½
		Nov.	2.05	1.97½	2.01
		Jan.	.06¾	1.99	2.03

Chicago Cash

	For Week Mar. 20 High	Low	Prev. Week High	Low
Corn—				
2 Yel.	1.38¼	1.36¼	1.37	1.35
Oats—				
1 H. Wh.	.82¼	.80	.83	78

Winnipeg Futures

Week to March 20, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Mar. 20
		Oats—			
.89¾	.69¾	May	.89¾	.86¾	.89½
.83⅛	.72¼	July	.83⅛	.81½	.83½
76¾	.70½	Oct.	76¾	.75½	.75½
		Barley—			
1.45¾	1.09½	May	1.40	1.32¾	1.37¾
1.41¼	1.09¼	July	1.27¾	1.21½	1.26½
1.13¾	1.01¼	Oct.	1.13¼	1.10¼	1.11¾
		Rye—			
1.64	1.42½	May	1.50	1.46¼	1.48¼
1.60¾	1.36¾	July	1.49½	1.45¼	1.48¼
1.45¼	1.33½	Oct.	1.45¾	1.41¼	1.44¼
		Flax—			
3.79	2.62	May	3.79	3.77	3.78¾
3.79	3.48	July	3.74¾	3.72	3.74¾
3.42	3.27	Oct.	3.41	3.28	3.41

Winnipeg Cash

	For Week Mar. 20 High	Low	Prev. Week High	Low
Oats—				
2 C W.	.98¼	.94¼	.92¾	.90
3 C W	.97¼	.92¼	.90¼	.87¼
Barley—				
1 Feed	1.37¼	1.33¾	1.29½	1.25¾
2 Feed	1.36¼	1.32¾	1.28½	1.24¾
1 Malt	1.74¼	1.70¼	1.57¼	1.47¾
Rye—				
2 C. W.	1.47	1.44¾	1.46	1.43¾
Flax—				
1 C. W.	3.75¾	3.73½	3.74	3.73

Bid to Share Income Levy Highlights Ont. Budget

Here are the highlights of the Ontario budget, brought down last week:

No increase in taxation except on race track betting.

Ontario to re-enter the personal income tax field but at no extra cost to the taxpayer, provided an agreement can be reached with the Federal Government on collection.

Reduction in amusement tax from 20%-15% over 15c; total tax exemption on admissions under 15c.

Establishment of a Racing Commission to regulate the tracks.

Special grant to hospitals and sanitoriums of 25% of the amount of the maintenance grant paid in 1949.

Surplus of $166,030 on ordinary account for the 1950-51 year.

For the fiscal year ending March 30, 1951 the budget forecasts net ordinary revenue at $228,965,630, net ordinary expenditure, $228,799,600 which includes $7,198,000 of sinking fund installments and railway aid certificates, giving a surplus of $166,030. Net payments for capital account are forecast at $83,015,000; net capital receipts at $30,168,000.

For the fiscal year ended March 31, 1950, on the basis of ten months actual and two months forecast, net ordinary revenue is estimated at $224,033,800 ($201,103,400 estimated in last year's budget speech); net ordinary expenditure is estimated at $223,029,800 ($200,945,854) which includes $20,626,000 ($5,626,200) of sinking fund installments and railway aid certificates. This gives an interim surplus of $1,004,000 which, Mr. Frost states, will be devoted entirely to the reduction of the net debt of the province. Net capital payments are forecast at $79,802,000 ($58,648,000); net capital receipts, $52,021,000 ($53,921,000).

Gross debt is estimated at $698,124,175 at March 31, 1950, an increase of $69,461,315 in the year; net debt, $520,744,070, an increase of $37,068,915.

Funded debt, after deducting sinking funds is $585,350,850 increase of $50,531,215. New issues totaled $104 millions while redemptions and the increase in sinking fund totaled $53,468,785. Contingent liabilities show an estimated increase of $141,932,692 to a total of $401,159,377 at March 31, 1950, chiefly due to the large sums borrowed by the Hydro-Electric Power Commission of Ontario.

Following are amendments to be introduced to taxing statutes:

(1) Personal income tax—Repeal the 1936 statute (which was suspended by the Tax Suspension Agreements of 1942 and, since the expiration of these agreements in 1947, has been suspended each year by a tax suspension statute) and pass a new act which would enable the province to impose a tax not exceeding 5% of the Federal tax and which in the case of imposition would be deducted from the Federal tax, thereby not raising the level of taxation of any Ontario taxpayer.

"The government takes this position that it desires in every way possible to avoid the imposition of multiple taxation and that the statute would only be proclaimed on an agreement being arrived at with the Federal government for the collection and payment to the province of 5% of personal income tax paid by Ontario taxpayers, without the submission of separate forms to the province and the remission of the 5% of the tax to the province. The government would not otherwise impose this tax without resubmitting the matter to the legislature," Mr. Frost stated.

It is estimated that under present rates of taxation the Federal government is presently collecting between $13 million and $16 million annually of personal income taxes which under the above arrangement would properly be payable to the Province of Ontario. The government intends, for this year, to apply the sum payable by the Federal government to the sinking fund provisions for debt retirement.

(2) Tax on logging operations—Conferences are now being held between the Federal and Provincial authorities to permit the operation of arrangements which were proposed by the Federal Government in 1945-46. These conferences are to establish methods and accounting procedures by which the province may levy taxes on logging operations, as it is now doing on mining, without affecting the net position of the logging operators. It is hoped that legislation introducing a provincial tax on logging profits, which will be deducted from profits otherwise taxable under the Dominion statutes, will be introduced before the termination of this session. Any revenues from this source will be applied to sinking fund provisions.

(3) Tax On Racing—The province is presently collecting a 10% tax on the pari-mutuel betting but is collecting no tax from the bookmaking type of betting which applies to harness racing. It is therefore proposed:

(a) To establish a Racing Commission which will regulate the tracks and the conduct of persons on the same. A bill to do this will be introduced shortly and will give the commission which will be appointed by the government wide powers of controlling tracks and the conduct of persons thereon.

(b) Every effort will be made within the powers and jurisdiction of the provincial government to provide for pari-mutuel machines on these tracks rather than the present bookmaking practices which exist in certain tracks. As this is purely a Federal matter, advances will be made to the Federal government to amend the Criminal Code providing for the use of pari-mutuels only on harness racing tracks.

(c) It is intended to impose a tax for the coming year, effective for the 1950 season, of 12½% of wagers made under the pari-mutuel system.

(4) Hospital's Tax—It will be reduced from 20% to 15% with complete exemption in the case where the price of admission does not exceed 15c. Provision of the Hospitals Tax Act relating the Hospitals Aid Fund will be repealed and this year the estimates of receipts are to be placed in the estimates as ordinary revenue and the estimated disbursements to the hospitals will appear in the estimates of the Department of Health.

(5) Corporations Tax—Amendments will be introduced to keep the provisions of the Corporations Tax Act, 1939, in closer agreement with those of the Income Tax Act (Canada).

(6) Land Transfer Tax — This act will be amended to cover certain administrative changes to facilitate the collection of these taxes.

In the fiscal year 1949-50 the Province has:

(1) Paid legislative grants to elementary and secondary schools of $37,285,000.

(2) Paid grants to public hospitals and sanitoriums for capital construction and maintenance of $13,100,000, an increase of $4,600,000 over the previous year.

(3) Will have spent on capital construction of highways the sum of $35 millions.

(4) Will have spent on highway maintenance $42,231,000.

(5) Has paid $10,035,000 as its share of Old Age Pensions and Pensions for the Blind.

(6) Has paid $5,379,000 in Mothers' Allowances.

(7) Has paid subsidies to municipalities and school boards of $70 millions.

(8) It is giving to every public general hospital and every sanitorium a special grant of 25% of the amount which they received in 1949.

(9) Has paid grants to conservation authorities of $900,000.

For the fiscal year 1950-51 the Province plans to do the following:

(1) Provide for legislative grants to elementary and secondary schools of $42,420,000 an increase of $5,136,000 over the 1949-50 fiscal year.

(2) To provide grants of $4,342,000 to the universities, an increase of $810,000.

(3) To provide $14,050,000 for grants to public hospitals and sanitoriums for capital construction and maintenance.

(4) To provide $850,000 for new homes for the aged and in addition $500,000 toward their maintenance.

(5) To provide $46 million for capital construction of highways, which does not include the cost of the Trans-Canada Highway.

(6) To provide for the opening of two new mental institutions: one at Aurora and one at Smith Falls and expansion of the institution at St. Thomas.

(7) To provide for municipal subsidies on highways of $22 million.

(8) To provide $15 millions for capital construction on public buildings and public works.

OSULAKE MINES reports that in 1949 the company's property was retained in good standing, sufficient work being done to ready the entire group for issue of leases. President D. F. Hurd states that assets are being kept in good condition pending the return of favorable financing conditions for new gold mines and resumption of operations at the property. Cash at Dec. 31 amounted to $7,128, against accrued charges of $40.

State Medicine Seen in Alberta Hospital Bill

From Our Own Correspondent

EDMONTON — Opposing an amendment to the Alberta Hospitals Act now before the Legislature, the Edmonton Chamber of Commerce claims the amendment is a step toward state medicine.

Under the bill a municipal council can enter into an agreement with the province to provide its taxpayers hospitalization at a direct cost to the taxpayer of $1 a day.

In return the municipality will receive $2,000 per hospital bed in capital costs for new hospital construction. The Chamber said also the province will pay $2.25 per patient-day to be applied on ordinary ward charges. The $2,000 capital grant would be borne equally by the Provincial and Federal Governments. Remainder of the daily hospitalization rate is borne by the municipality.

The Chamber said of the charge per patient-day the patient pays $1 and the province $2.25. If adopted in Edmonton, the city makes up the balance. This would place a heavy burden on taxpayers, many of whom already have private and company-sponsored health schemes.

The Chamber thought the $1 a day would influence patients to lengthen stays in hospital. It claimed it would centralize hospital control in the Government's hands.

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VANCOUVER · DULUTH · MINNEAPOLIS

FEDERAL GRAIN LIMITED
AND
THE ALBERTA PACIFIC GRAIN CO. (1943) LTD.
WINNIPEG - CALGARY

Country Elevators located in all Prairie Provinces, and Terminals at Fort William, Port Arthur and Vancouver.

Cereal and Forage Seed Plant at Winnipeg.

We invite your inquiries regarding feed and seed grain.

HALLET & CAREY LIMITED
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES

Owners and Operators
Fort William Terminal Elevator Co. Ltd.
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Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que.
— Vancouver, B.C.

NORRIS GRAIN COMPANY
LIMITED
Grain Merchants, Shippers and Exporters
709 Grain Exchange, Winnipeg

NEW YORK · BALTIMORE · CHICAGO · MINNEAPOLIS · KANSAS CITY · DULUTH · TOLEDO · LONDON · ST. LOUIS · LIVERPOOL

Western Grain Co. Ltd.
WINNIPEG — CANADA
COUNTRY ELEVATORS — MAN., SASK. & ALTA.
TERMINAL ELEVATOR — FT. WILLIAM, ONT.
GRINDING PLANTS and FEED MILLS
GRAIN SHIPPERS · EXPORTERS · GRAIN FUTURES

N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity, 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

GRAIN MERCHANTS - MANUFACTURERS OF MASTER FEEDS
PROCESSERS OF SOY BEAN AND LINSEED OIL AND MEAL

Toronto Elevators
LIMITED
TORONTO
MONTREAL · SARNIA · WINNIPEG

JAMES RICHARDSON & SONS
LIMITED

Grain Merchants
Shippers and
Exporters

HEAD OFFICE
WINNIPEG, MANITOBA
OFFICES THROUGHOUT
CANADA

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING MARCH 17

Range 1949-50 High	Low	Div R'te $	Mar17 Y'ld %	Company	Sales	Last Mar. 10	Week end. Mar. 17 H	L	Cl'se
26	9¾	1.00	3.9	Abitibi	31311	24¼	26	24¾	26
23¾	16	1.50	6.5	Do. $1.50 pref	6940	23¼	23¼	23	23¼
25	19¾	1.00+•1.15		Acadia At A	915	24	24¼	24	24
105	98¾	5.00	4.8	Do. 5% pref.	65	104	103¼	103	103¼
15	7	•.50	...	Acme Glove	5105	9¼	13	9¼	12
9¼	7¼	.60	6.9	Agnew Surp.	240	9	8¾	8¾	8¾
15	12¾		...	Algoma Steel	5292	14¾	14¾	14¼	14¾
27	25	1.00	3.7	Alum of Can p	340	26¾	26¾	26½	26¾
61¾	40¾	2.40	4.1	Aluminium, n	2065	57	58¾	56	58½
9	6¼		...	Amal. Electric	25	8	8¼	8¼	8¼
7¼	4½	▲•.40	..	Andian Nat.	1605	5¼	6	5	6
48½	42¼	2.25	4.9	Ang Can Tel p	50	46	46¼	45¼	46¼
18	14	•1.00	...	Ang. Nfld.	750	15¼	15¾	15	15¼

Range 1949-50 High	Low	Div R'te $	Mar17 Y'ld %	Company	Sales	Last Mar. 10	Week end. Mar. 17 H	L	Cl'se
3.00	1.55		..	Gen. Bakeries	625	2.85	2.85	2.85	2.85
33	16½	1.00	3.4	Gen Products A	25	30¼	29¾	29¾	29¾
20	13	†.50	..	Gen. St. Wares	300	19¾	19¾	19¼	19¼
106	99½	5.00	4.7	Do. pref.	5	105	106	106	106
103	80	†1.00	..	Goodyear Tires	55	95	95	94	94
53½	50¼	2.00	3.8	Do. pref.	116	52¼	52¾	52¼	52¾
17¼	9¼	1.00+†.15		Gt. Lakes Pap.	7888	16¾	17¼	16¼	17¼
43¼	34	2.50	6.0	Do. A pref.	120	42	42	42	42
26	15¼	•1.25	..	Gt. West Coal	100	22	21	21	21
13¼	13	.50	3.9	Guaranty Trust	30	13	13	13	13
19¾	14	1.40	7.7	Gypsum, Lime	3275	18¼	18¼	17¾	18¼
25	10	†.30+4.20		Hahn Brass	100	15	17	17	17
13	8	•.10	...	Halifax Insur.	50	12¼	12¼	12¼	12¼
13¼	7	.50+†.12½		Ham. Bridge	3520	12¼	13¼	12	13

Range 1949-50 High	Low	Div R'te $	Mar17 Y'ld %	Company	Sales	Last Mar. 10	Week end. Mar. 17 H	L	Cl'se
19	12		...	Windsor Hotel	34	16	16	15	15¼
38	27	•1.40	...	Winnipeg Elec.	888	35	35	34¾	34¾
101	97	5.00	5.0	Do. pref.	555	99¾	100	99¾	99¾
35	27	†.25	...	Woods Mfg. pf.	5	30	30	30	30
20	13	1.60	12.3	Wool Combing	20	13	13¼	13¼	13¼
67	39	2.00+†.50		Zellers	325	63¾	64	63¾	64
26¼	24¼	1.25	4.7	Do. 5% pref.	175	26¼	26¼	26¼	26¼

*On arrears. ▲N. Y. funds. ▲▲Participating div. *Net after income taxes. •Dividend deferred. ♦After stock split. ■Paid in 1949. ♦Plus extras. ‡Plus payments on arrears. †Paid or payable in 1950.

Mining Stocks

Week Ended March 17

Oil Stocks

Range 1949-50 High	Low	Div. Rate $	Yield %	Company	Sales	Last Mar. 10	Week Ending Mar. 17 High	Low	Close
.05½	.02	.....	....	New Ranch	4,500	.02	.02½	.02½	.02½
.31	.04½	.....	....	N. Cont.	13,500	.04½	.04½	.04½	.04½
.21	.08	.....	....	N. Exten.	5,000	.09½	.09½	.09½	.09½
2.60	1.11	§‡.10	....	Okalta	15,800	1.70	1.80	1.69	1.79
4.90	2.00	§.05	....	Pac. Pete	24,485	4.50	4.70	4.35	4.65
.25	.09	.....	....	Pan. West	5,600	.20	.20	.19	.19½
.05½	.03½	.....	....	Phillips P.	12,200	.04½	.04½	.04	.04
2.90	2.75	.....	....	Polaris	100	2.80	2.75	2.75	2.75
.42	.17½	.....	....	Princess P.	20,200	.39	.37½	.36	.36½
.43	.39	.....	....	Reef Pet.	26,560	.....	.43	.39	.39
.53	.23	.....	....	Roxana	6,000	.28	.31	.25	.31
.13	.05	.....	....	Royal Can.	5,500	.06½	.06	.05½	.05½
9.90	5.85	†.06½	....	Royalite	27,125	9.15	9.65	9.10	9.60
.15	.05½	.....	....	Share Oils	1,000	.06	.06½	.06½	.06½
.23	.09½	†.01	....	So. Brazeau	5,500	.10	.10	.09½	.09½
.45	.20	.....	....	So. West Pete	2,625	.30	.38	.30	.38
.38	.15	.....	....	Spooner	11,575	.26	.29½	.26½	.28
.20½	.12	§.01½	....	Sunset	600	.18½	.19	.18½	.19
.53	.29	.....	....	Superior	26,650	.41	.43	.40	.41½
.51	.29	.....	....	Tower Pet.	18,700	.36	.35	.32	.34
.26	.08	.....	....	United Oils	12,100	.19	.20	.18½	.20
.30	.18	.....	....	Vanalta	1,000	.25	.25	.25	.25
.40	.15	.....	....	Vulcan	32,510	.33	.40	.30	.35
.20	.02½	.....	....	Warner	2,000	.03	.03	.03	.03
.12½	.06	.....	....	York Oils	2,000	.07	.07	.07	.07

* N. Y. funds. s Extra. ▼ Paid or payable in 1949. § Paid in 1948. ‡ Capital Distribution. † Payable in 1950.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Mar. 20	300,500	1,175,000	85,095	88,785	1,810,000
Mar. 18	*101,600	708,000	53,250	48,265	780,000
Mar. 17	298,600	1,405,000	71,343	149,497	1,940,000
Mar. 16	384,100	1,371,000	53,353	96,642	2,500,000
Mar. 15	217,200	960,000	80,560	94,605	2,280,000
Mar. 14	117,200	814,000	89,995	74,682	1,430,000

BUSINESS BAROMETERS

	MAR.	FEB.	JAN.	DEC.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	....	....	200.3	170.2
Dom. total rev.	....	....	....	199.6	220.2
MERCHANDISING					
■Dept. store sales (3)	+1	+6	+4	+5	....
■Country store sales (3)	....	....	—3.6	—1.7	....
■Retail store sales (3)	....	....	+1.7	+2.7	....
Wholesale sales index (1)	....	....	....	263.3	259.9
FINANCE					
■Dividend payment index (1) (5)	212.1	212.4	213.8	217.8	217.5
■Money supply (millions $)	....	....	4,386	4,422	4,162
NEWSPRINT CAPACITY					
■Production ratio (7)	....	97.7	97.2	98.4	102.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	....	178.5	182.8	209.9
Cars (D.B.S.) (1)	....	....	147.2	158.3	163.0
COST OF LIVING					
D.B.S. (1)	....	161.6	161.0	161.5	159.5
EMPLOYMENT INDEX					
■All industries (6)	....	....	194.2	201.8	196.0
■Payrolls (June 1/41=100) (2)	....	....	209.2	224.1	204.1
MANUFACTURING					
■Inventories (1947=100)	....	....	....	122.4	129.0
■Employment (6)	....	....	199.9	204.5	202.7

	1949-50	1948-49	1949-50 Jan. 1 to date	1948-49 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week Mar. 11)	71.1	74.5	671.5	724.5	—7.9
C.N.R. gross rev. (Jan.)	35,041	37,309	35,041	37,309	—6.1
C.N.R. net rev. (Jan.)	2,564	1,488	2,564	1,488	+72.3
C.P.R. gross rev. (Dec.)	30,116	31,077	363,252	355,250	+2.3
C.P.R. net rev. (Dec.)	3,116	1,883	20,632	18,419	+11.5
IRON AND STEEL PRODUCTION (000's omitted) (Dec.)					
Pig iron production (tons)	172	174	2,154	2,121	+1.5
Steel production (tons)	264	280	3,187	3,202	—0.5
CONSTRUCTION (000's omitted)					
■Contracts awarded (Jan.)	56,686	72,792	56,686	72,792	—22.1
Cement prod., bbls. (Dec.)	1,308	1,054	16,128	14,007	+15.1
AGRICULTURE (000's omitted)					
■Flour exp., bbls. (Feb.)	742	644	1,675	1,648	+1.7
■Wheat exp., bush. (Feb.)	7,879	11,313	18,779	25,138	—33.9
Cattle sales (Feb.) (4)	113.4	94.9	247.5	217.3	+13.9
Hog sales (Feb.)	377.1	302.1	735.5	636.4	+15.6
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Jan.)	76.2	37.1	76.2	37.1	+105.5
Landed value (Jan.)	2.2	1.5	2.2	1.5	+46.6
NEWSPRINT (000's omitted)					
■Production (Feb.) (7)	399	407	816	828	—1.4
■Exports, tons (Feb.) (7)	377	385	780	795	—1.9
MINING AND OILS (000's omitted)					
■Coal prod., (tons) (Feb.)	1,773	1,688	3,522	3,545	—0.7
Gold prod. (fine oz.) (Dec.)	373	327	4,113	3,530	+16.5
Petroleum prod. (bbl.) (Nov.)	1,915	1,265	19,704	11,123	+77.1
ELECTRICAL POWER OUTPUT (000,000 omitted) (Jan.)					
■Total monthly kw.h.	4,072	3,699	4,072	3,699	+10.1
FOREIGN TRADE (millions of $)					
■Imports (Jan.)	211.9	223.8	211.9	223.8	—5.3
Exports (Jan.)	221.2	237.0	221.0	237.0	—8.0
FINANCE (millions of $)					
Bank debits (Jan.) (8)	7,307	6,929	7,307	6,929	+5.5
Bond sales (Feb.)	586.0	229.5	806.5	399.3	+101.9
Life insurance sales (Jan.)	100.8	106.6	100.8	106.6	—5.5
OTHER INDUSTRIAL FACTORS					
Shoe prod. (Dec.)	2,512	2.784	36,256	32,407	+11.8
Cigarette cons. (000,000) (Jan.)	1,408	1,262	1,408	1,262	+10.8

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, ec.
(6) Base period 1926=100.
(7) Includes Newfoundland.
(8) Includes debits in St. John's, Nfld., since April only.

Unlisted Stocks

(Compiled from quotations by Intercity Securities Ltd., Toronto and Kippen & Co., Montreal)

March 20, 1950

	Bid	Ask
Allens Toronto units	42.00	....
Anglo Can. Telephone A	10.25	11.00
Ash Temple Co.	4.50	....
Ashdown Hardware B	14.50	....
Beauharnois L. H. & Pr.	22.25	23.00
Beauharnois Power	10.00	....
British Mtge. & Trust	195.00	....
B. C. Sugar	89.00	92.00
Can. Gen. Invest.	18.35	18.73
Can. Gen. Sec. C.	7.00	....
Can. Investment Fund	5.05	5.50
Can. Investors Corp.	11.25	....
Canadian Motor Lamp	12.25	13.25
Can. Silk Products A	23.25	24.25
Can. West. Nat. Gas com.	60.00	....
Do. pfd.	19.00	20.50
Capital Wire Cloth com.	14.25	....
Chase, A. W. units	53.00	....
Colonial Steamships com.	125.00	....
Commercial Finance com.	17.00	....
Commercial Life 10% pd.	10.75	....
Continental Life 20% pd.	45.00	....
Cooksville A	11.50	12.50
Do. B	5.50	6.50
Corporate Investors	8.96	9.68
Cuban. Can. Sugar com.	5.00	6.00
Detroit Intl. Bridge	17.50	19.00
Dover Industries Ltd.	9.25	10.25
Dunlop Tire pfd.	25.00	26.00
Dupuis Freres pfd.	22.00	24.00
Empire Life 25% pd.	17.00	19.00
Foreign Power Co.	4.50	6.00
Galt Brass com.	31.00	....
Goderich Elev. & Trans.	15.25	16.25
Great West Life	445.00	465.00
Guardian Realty pfd.	54.00	....
Guaranty Co. of N. America	385.00	....
Hart Battery com.	8.25	9.50
Husky Oil & Ref.	4.25	4.75

	Bid	Ask
Imperial Life	345.00	365.00
Lambton Loan $50 par	84.00	90.00
Laprairie com.	3.00	....
Do. pfd.	98.00	....
Loblaw Groc. Inc.	23.00	24.00
Manufac. Life Ins.	345.00	365.00
Medical Arts Bldg.	34.00	40.00
Monarch Life 40% pd.	134.00	140.00
Mountainview Apts. pfd.	27.00	....
Nat. Drug & Chem. com. n.	8.50	9.25
Do. pfd.	10.50	12.00
N. B. Telephone	11.00	12.50
Northern Tel. com.	1.60	1.95
Ont. Jockey Club	1,400.00	1,600.00
Ont. & Que. Ry. 5% cap stk	141.00	....
Pelier Brewing com.	1.25	2.00
Do. pfd.	12.75	14.00
Prov. Bank of Canada	16.00	16.75
Prudential Trust	11.00	....
Ritchie Cut Stone pfd.	8.25	9.25
Rosedale Golf	135.00	....
Sawyer Massey com.	.75	....
Seiberling Rubber com.	5.00	6.00
Sincennes McNaught. Tugs	2.00	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	50.00	....
Standard Fuel pfd. 4½%	35.00	37.00
Do. com.	3.00	5.00
Sun Life Assce.	600.00	620.00
Third Can. Gen. Inv.	4.15	4.50
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.00	3.50
United Steel A pfd.	24.00	25.50
Victoria Trust & Svgs.	143.00	....
Waterloo Manuf. com.	5.50	6.75
Waterloo Trust & Svgs.	124.00	128.00
Western Assurance com.	72.00	....
Western Grain pfd.	23.00	25.00
York Trading com.	10.50	12.00

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	Mar. 17 Bid	Ask
Hunts A	†.10	8	7½	8
Do. B	†.10	9	7½	9
Huron & E. Mt.	5%	122	124	..
Do. 20% pref.	5%	23	23½	24¼
Imp. Varnish	1.00+•.10	16	15½	16
Do. pref.	1.50	31¾	31½	..
In. Accept. 4¼% pf	4.25	85¼	..	..
Inter-City Bak.	.80+†.10	13½	13½	..

	Div. Rate $	Last sale	Mar. 17 Bid	Ask
Do. A rights	1.00	20	18	20
Do. B rights	1.00	19½	19½	20
Un. Amuse. A	1.00	34	35	..
Do. B	1.00+•.75	25	25	..
Do. A V.T.	1.00	35½	35	..
Un. Distill.	†1.00	25	..	25
Viau Ltd. pref.	5.00	99½	..	..
Viceroy	†.20	14	14	15
Vir. Dare 5% pref.	1.25	20	20½	21½

Mining Stocks

STOCKS NOT TRADED THIS WEEK

Government Bonds

Mar. 21, 1950

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	101¼	101⅜
3	Mar. 1954	102⅜	103⅛
3	Nov. 1956	103	103½
3	May 1957	102¼	102¾
3	Jan. 1959	102⅞	103¼
3	June 1960	102½	103
3	Feb. 1962	102⅜	102⅞
1½	Nov. 1950	100	100⅛
3	Oct. 1963	102⅛	102⅝
3	Sept. 1966	102½	103
Dom. of Can. Bonds:			
3	June 1958	102¼	102¾
3¼	Feb. 1952	102⅜	102⅞
3	June 1955	100⅛	100½
3¼	June 1966	103½	104
3	Perpetual	†101½	102
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101⅞	102⅜
4½	Feb. 1956	■123⅞	125⅜
4½	July 1957	♦126⅛	127⅝
5	Feb. 1954	109	109⅝
4½	June 1955	■123⅛	124⅜
2¾	Jan. 1967	98⅞	99⅞
2¾	Sept. 1969	99½	100½
3	Jan. 1966	101⅞	102⅜
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	■124	125
Grand Trunk Pacific Rly.:			
3	Jan. 1962	■114½	116½
4	Jan. 1962	■125⅜	127⅜

%	Due	Bid	Ask
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/71	100	100½
3½	June 1950/72	♦110	111
British Columbia:			
4½	Jan. 1969	♦134⅜	136⅜
5	Sept. 1953	106⅛	107⅜
3	Dec. 1960	99⅜	100⅜
3	June 1964	98⅞	100⅛
5	Sept. 1959	♦130	132
B. C. Power Comm.:			
3	Oct. 1967	98	99½
Manitoba:			
4	Dec. 1957	♦119⅜	121⅜
4½	Dec. 1956	♦121⅞	123⅞
5	Dec. 1959	■130	132
5½	July 1958	116⅛	118⅛
3	Oct. 1965	99	100½
New Brunswick:			
4½	Apr. 1961	♦122⅜	124⅜
2¾	June 1966	89	91
3½	May 1957	98⅛	100⅛
3½	Sept. 1965	98⅜	100⅜
Nova Scotia:			
3½	June 1956	101⅛	102⅜
4½	Nov. 1960	♦125⅜	127⅜
5	Mar. 1960	♦129	131
3	June 1956/58	99⅞	101⅛
2¾	Sept. 1966	95	97
3½	June 1963/65	101⅛	102⅝

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69	96⅛	97⅜
3½	May 1952/55	101½	102⅛
4	June 1962	■124⅜	126⅜
4½	June 1950	100⅛	101⅛
4½	Jan. 1962	♦129½	131½
2¾	July 1967/77	94⅛	96⅛
3	Nov. 1963/65	99⅞	101⅜
5	May 1959	■130⅞	132⅞
Ont. Hydro Commission:			
4	Aug. 1957	■120¼	122¼
2¾	Oct. 1965/68	95⅜	97⅛
3	Dec. 1963/65	100	101
3	Nov. 1967/69	99⅜	100⅜
Prince Edward Island:			
3½	Dec. 1961	101⅛	102⅛
Quebec:			
3½	Mar. 1954/59	103	104
3⅜	Feb. 1952/55	102⅜	103⅜
4½	Aug. 1958	108⅛	109⅛
4½	Jan. 1963	114	115⅜
4	Nov. 1950/52	100⅞	101⅛
3	Sept. 1962/64	100⅛	101⅛
Quebec Hydro Commission:			
3	Feb. 1969/73	99⅛	100⅜
3	Dec. 1958/60	100⅛	101⅛
Saskatchewan:			
4	Nov. 1955/60	101½	103
5	Aug. 1958	108⅛	110⅛
4½	Mar. 1960	♦119⅜	121⅜
3½	Oct. 1952	104⅛	105⅛
6	Mar. 1952	104⅛	106
5	Dec. 1959	♦123½	125½
3	Mar. 1963	94½	96½
3¼	Nov. 1960/62	95⅜	97⅜
3¼	Oct. 1962/65	101⅛	102⅜

†Callable on or after Sept. 15, 1966. ♦Payable Can. or N Y.
■Payable Can., N. Y. or £.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
No. of Securities	10	10	4	5	10	15	10	16	12	8	16	106
***1935 to date:**												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.8	146.2	126.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.5	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
Apr.	211.9	234.2	88.4	70.8	205.7	111.9	274.4	139.6	109.7	132.4	115.7	106.4
May	208.4	227.4	84.2	70.2	204.2	112.8	275.7	136.3	107.4	132.4	113.5	105.3
June	184.7	210.8	85.3	63.8	196.0	111.8	273.3	131.4	104.1	131.0	109.2	99.6
July	196.8	221.4	89.6	66.6	202.2	112.9	292.4	137.0	108.4	130.7	114.3	104.2
Aug.	209.5	230.6	90.2	66.8	204.6	114.6	306.7	140.0	111.2	133.3	119.5	108.2
Sept.	213.1	240.1	93.0	68.9	204.8	116.0	312.5	143.0	112.8	135.2	122.7	109.6
Oct.	221.4	259.0	95.8	75.4	206.4	122.0	329.6	151.4	111.7	139.8	121.9	114.3
Nov.	231.0	274.3	91.8	82.6	219.9	123.5	336.5	158.6	112.2	142.2	121.6	118.2
Dec.	231.5	279.4	88.5	82.4	229.9	121.5	345.9	163.2	112.0	140.6	122.5	117.9
1950: Monthly Figures:												
Jan.	231.5	286.1	90.7	82.8	235.0	123.7	351.0	169.1	114.7	143.0	124.3	119.0
1950: Weekly Figures:												
Feb. 2	233.9	285.0	89.7	81.6	233.4	123.6	349.7	168.7	115.4	143.6	124.9	118.6
Feb. 9	228.0	295.0	85.4	81.5	232.1	124.5	356.2	172.3	116.5	142.8	125.7	119.0
Feb. 16	226.2	292.1	84.7	79.3	234.8	124.2	354.3	169.2	116.9	143.3	125.3	117.7
Feb. 23	231.6	294.8	84.7	79.4	239.1	120.4	363.0	168.4	117.1	142.4	125.0	117.8
Mar. 2	230.2	298.2	83.8	79.9	245.1	119.0	358.7	169.2	118.3	142.4	126.0	118.3
Mar. 9	238.7	299.6	83.1	78.6	246.3	118.6	369.7	166.0	121.7	142.6	126.3	117.9
Mar. 16	242.3	308.0	83.4	79.6	248.3	119.1	383.5	169.1	122.4	143.2	127.0	119.2

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Mar. 20	216.35	102.65	106.80	62.39
Mar. 18	217.11	102.90	106.56	62.04
Mar. 17	216.73	103.00	105.91	61.62
Mar. 16	216.62	101.08	106.49	60.82
Mar. 15	214.68	100.32	106.29	59.96
Mar. 14	213.24	99.34	105.13	59.28
Month ago	209.78	98.54	107.88	60.52
Year ago	170.73	94.34	93.56	46.65
1949-50 High	217.11	105.15	113.07	66.29
1949-50 Low	157.28	97.24	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Mar. 20	80.0	144.0	122.7	395.54	65.58
Mar. 18	80.1	144.3	122.9	395.37	65.41
Mar. 17	80.3	144.3	123.0	395.19	65.42
Mar. 16	80.3	144.2	122.9	393.08	65.19
Mar. 15	80.0	143.6	122.4	387.43	64.69
Mar. 14	80.0	143.7	122.5	381.73	64.65
Month ago	76.6	140.4	119.2	374.95	63.99
Year ago	71.7	120.1	104.0	307.88	64.45
1949-50 Hi.	80.3	146.2	123.0	395.19	74.40
1949-50 Lo.	70.0	109.3	96.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Mar. 20	207.78	55.25	43.67	74.91
Mar. 18	208.09	55.70	43.69	75.13
Mar. 17	207.57	55.70	43.69	75.02
Mar. 16	207.89	56.42	43.74	75.33
Mar. 15	207.46	56.05	43.47	75.04

	30 Indust.	20 Rails	15 Util.	65 Stocks
Mar. 14	204.70	54.96	43.11	74.00
Month ago	203.47	55.65	42.73	73.84
Year ago	175.61	47.54	35.00	63.01
1949-50 High	208.09	56.60	43.74	75.33
1949-50 Low	161.60	41.03	33.36	57.75

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Mar. 21, 1950

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	90	93	90
Bell Telephone	3	'77	98	100½	98
B. C. Electric	3½	'67	96	98½	96
Do.	3¾	'69	101	103¼	101
Calgary Power	3½	'72	98½	...	98½
East Kootenay	3½	'67	92	...	91
‡Gatineau Pr. D.	3½	'70	101	103¼	101
Gt. Lakes Pwr.	4½	'69	98½	101	98½
*Int. Hydro-El.	6	'44	66	69	66
Int. Prov. Pipe Line	4	'70	240	...	197
L. St. Law. Pwr.	3½	'65	97	100	97
Maclaren-Quebec Power	3	'69	96½	99½	96½
Mtl. Trams. B	5	'55	98	101	98
Nat. Lt. & Pwr.	4½	'61	100	103	100
Nor. Que. Pwr.	4½	'67	99	102	99
Power Corp.	3½	'67	97	...	97
Quebec Power	3	'62	98½	101	98½
St. Maurice Pr.	3½	'70	99½	102	99½
Shaw. W. & Pr.	3	'61	99	101½	99
Do.	3	'71	98	100½	97½
Do.	3½	'73	102	104½	102
Union Gas	4½	'50	100½	...	100½
Un. Fuel Invest.	4	'59	101½	...	101½
United Secs.	3	'52	99½	...	99½
Wpg. Electric	3½	'71	102	104½	102
Industrial Issues:					
Abitibi Pr. & P.	3½	'67	101½	104	101½
Acadia Atlantic Sugar	3½	'65	101	...	101
Aluminum Co.	3½	'74	102	...	102
Bathurst P. & P.	3½	'68	99½	...	99½
B. C. For. Prod.	4	'66	93	96	93
B. C. Pulp & Pa.	3½	'67	96	99	96
Bowater's Nfld. P. & P.	3½	'68	96½	...	96
Brompton Pulp & Paper	3½	'66	94½	97½	94½
†Brown Co.	5	'59	100	103	99½
Burns & Co.	4	'63	98	100½	98
Can. Steamship	3½	'57	99½	...	99½
Do.	4	'66	99	102½	99
Can. Bread	4½	'67	99	101½	99
Can. Brew.	3½	'67	94½	97	94½
Can. Celanese	3	'62	98	101½	98½
Can. Oil	3½	'62	99	102	99
Can. W. Lum.	4	'62	101	103½	101
C.P.R.	3½	'51	101	...	101
Do.	4	Perp.	115	...	112
Cockshutt Plow Co.	4½	'65	101½	104	101½
Columbia Cell.	5	'68	102	104½	102
Consol. Paper	3½	'67	101½	104	101½
Dom. Coal	4½	'52	100½	...	100½
Dom. Tar & Ch.	3½	'57	101½	...	101½
Dom. Textile	3½	'59	101½	...	101½
Dom. Woolens	5	'64	95	98	95
Dryden Paper	4	'61	100½	...	100½
E. B. Eddy	3½	'66	100	102½	100
Do.	4	'66	102	...	102
English Elec.	4	'67	95½	...	95½
Federal Grain	4	'64	100	103	100
Gt. Lakes Pap.	3½	'67	100½	...	100½
Imp. Tobacco	2½	'66	97½	...	97½
Lake St. J. P.	5	'61	101½	...	101½
Laurentian Silk	4½	'67	100	...	100
MacMillan (H.R.) Ex.	4	'65	101	...	101
Maple L. M.	3½	'63	97	100	97
Massey-Harris	3	'66	96½	99½	96½
Do.	4½	'63	102½	105	102½
McColl-Front.	4	'71	96	99	95½
Mercury Mills	4	'63	99½	...	99½
Monarch Knit.	4	'66	99	...	99
N.S. Steel Coal	3½	'63	99	102	99
Penman's	3½	'66	100	...	100
Price Bros.	3½	'66	101½	104	101½
Silv. Dairies	4	'60-64	99	102	99
Do.	4	'71	91½	94½	91½
Simpsons Ltd.	3½	'60	101½	104	101½
Stl. Co. of Can.	2¾	'67	96½	99	96½
Tor. Elevators	3½	'66	99	...	99
United Corp.	4	'58	100½	...	100½
United Steel	4	'60	99	102	99
Un. Grain Gr.	4	'63	100	...	100
†Western Grain	5	'63	85	89	85
York Knit. Mills	3½	'71	90	94	90

*Payable in Canada or United States.
‡Payable in Canada only.
▲Payable in Canada or U. K.
†Payable in Canada, U. S. or U. K.

Municipal Bonds

Mar. 21, 1950

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'68	99	100½	3.71
Vancouver	3¾	'69	100	102	3.59
Calgary	3½	'69	99½	101½	3.38
Edmonton	3½	'69	99½	101½	3.38
Regina	3	'64	92¾	94¾	3.45
Moose Jaw	3-3½	'60	95	98	3.40
Winnipeg	3	'69	98	100	3.00
Ottawa	3¼	'68	103	105	2.89
Toronto	3	'68	99	101	2.92
Hamilton	3	'67	98	100	3.00
Windsor	2½	'75	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3½	'75	88	91	4.05
Montreal	3	'70	93½	96½	3.23
Quebec	3½	'64	99	101	3.42
Halifax	3	'66	95	98	3.15
Saint John	3½	'65	99	102	3.34

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
▲Indust. Accept. ser. A s.f. deb	4%	1966	Apr. 1	103
▲Do. ser. B s.f. deb.	3½%	1966	Apr. 1	103
▲Do. ser. C s.f. deb.	4%	1968	Apr. 1	103
▲H. Walker-Good. deb.	2¾%	1966	May 1	102½

▲All o/s.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$22.64	$22.88	$19.68
Hogs	27.60	27.35	30.72
Copper, lb.	.18½	.18½	‡.23½
Sugar, raw, lb.	.0505	.0507	.0520
Coffee, lb.	.45½	.46¾	.26⅜
Hides	.25	.24½	.24½
Weekly Indices			
U. S. Labor	151.9	152.0	158.5
Dow Jones	131.62	133.58	125.26
Fisher's	162.0	162.0	168.5
Monthly Indices			
Retail (Feb.) †	161.6	161.0	159.5
W'sale (Jan.)	157.1	156.8	159.3
U. S. (Nov.)	151.6	152.2	163.9
Gt. Brit. (Dec.)	240.4	239.7	220.6

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Bond Tenders

12 noon, Mar. 23, 1950, Government of Canada Treasury Bills, payable June 23, 1950, $75,000,000, dated Mar. 24, 1950.

Investment Trust

	Bid	Ask.
Affiliated Funds	4.28	4.64
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	5.05	5.50
Can. Invest Corp.	8.25	8.75
Corporate Invest.	8.96	9.68
Commonwealth Int.	3.72	4.09
Trans-Canada	14.50	....
Do B	....	14.85
Leverage Fund	2.68	2.95

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario)

Approximate quotations, 3 p.m., March 20, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask
Abenakis	3½	5½
Advance	3½	4½
Alexander	2½	3½
Ama Kir	6½	7½
Anna'que	†3½	4½
Arctic	6½	8
Argonaut	1½	2½
Barber N	2	3
Beacon	60	65
Beaulieu	1½	2
Beauriv	1½	2½
Bi Ore	18	23
Biroco	*12½	14
Blondor	1½	2½
B McDade	*7	10
Bour C	4½	6
Bouzanne	7	8
Braminco	17	21
Bright RL	2½	3
Bulldog	19	22
Busley PO	†2	3
Camlaren	3½	5
Camray	7	9
Captain	2	3
Cassidy	2	3
Cent Man	†5	6
Cock	1½	2½
Columbier	2	3
Con Chib	13	16
Con Cop	7	8
Craibbe	4	5
Croydon	1	2
Cuyuni N	28	32
Delhi	5	8
Derlak	4	5
De Sant	3½	5
Dick'son	23	25
Doris	2	3
Durham	7	9
Echo Ind	2½	4
El Bonanz	†4½	6½
Elmac	2½	3½
Erin Kirk	2½	3½
Erndale	5½	7
Flicka	1½	2½
Forty For	..	90
Gan Cop	2½	4
Geneva L	2	5
Glencona	6½	7½
Golpac	7	10
Gov Gold	3	5
Grd Chib	35	42
Greenlee	4	6
Grndhog	..	16
Habitant	2	3
Halden	3	5
Harker	*3½	5
Hornfault	*10	12
Hu Pam	23	25
Independ	*8	10
Inco	4½	6
IslePin n	18	20
Jerome	22	25
Kamlac	†21	25
Ken Bay	4	6
Kenda Pe	9	11
Kirk GG	2	2½
Lar-Add.	†5	6
La Salle	2½	3½
Lassie	4½	5½
Lavalie	3½	4
Lennie	1½	2½
Lk Expa	†6	7
Lower Can	4½	5½
Marbenor	14	15
Mallen RL	5	6
Mar Bird	3	4
Marquette	2½	4
Mary An	9½	11
Mat Con	37	39
Mate Yel	2½	3½
McManus	6	7
Metalore	5½	6
Miles RL	4	6
Mindus	9	11
Mink	2	4
Mistassini	*3½	5
Mohawk P	2½	3
Murmac	5½	6½
Nat Mal	73	78
Nat New	7½	8½
New Aug	†14½	16
Newcore	12	14
New Mal	3	4
Nickel L	2½	3½
N Offsets	115	135
Nisto	†22	25
NoAcme	140	150
Norbeau	110	120
Norbec	9	11
Norcourt	2½	3½
Norford	1½	2½
Normar	2½	3½
Novele P	2	4
Obalski O	6	8
McCuaig	3	4
do '45	17	19
Obaska	9	10
Oklend	7	8
Olivet	1½	2½
Opemiska	†21	23
Ortona	4	5
Pascalis	13	16
Payne	3½	5
Pelangio	*4½	5
Phelps	1½	2½
Presdor	1½	2½
Privateer	12	17
Pro Div's	14	16
Quejo	5	6
Que SR	52	56
Quest	1½	3
Rand M	†16	19
Randona	2½	3
Raymond	1½	2½
Redruth	2	4
Redwood	6	7
Rhyolite	1	2
Richgroup	4½	6
Russet	5	7
Salmita	†2½	3
Santiago	8	9
S Dufault	5	..
Sepha	3	4
Sheldon	†11½	13
Silv Arro	3	5
Skynner	2	3
Snow L	2½	3½
Starlight	1	3
Sunbear	2½	3½
Thornhill	1	2
Tobico	3	4
Vinray	2	3
Viking	15	18
Walcoro	5	6
Wesley	1	2
West RL	1½	2½
Y Davids	20	23
Yelknife	190	..
do vt	135	..
OILS		
Crusader	†19	23
Franco	†57	62
Garrison	135	145
Granleduc	8	12
Home Oil	11½	12
Jupiter	18	21
Lingnora	3½	4½
Major Oil	2½	3
Nw Ranch	2	3
Pac Oil R	3	4½
Princess	37	39
Vermilion	26	29
West Lock	4½	5½

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.50	Apr. 1	Mar. 1
Do. pfd.	.37½	Apr. 1	Mar. 1
Acadia At. Sug. A	.25	Apr. 1	Mar. 11
Aluminum Co. pfd.	.25	Jun. 1	May 3
Am. Cyanamid	†.62½	Apr. 1	Mar. 7
Do. pfd.	†.87½	Apr. 1	Mar. 7
Anglo Candn. Oil	.10	Apr. 11	Mar. 17
Asbestos Corp.	.30+.10	Mar. 31	Mar. 9
J. H. Ashdown A	.15	Apr. 1	Mar. 10
Assoc. Tel. & Tel. 6% pf	†1.50	Apr. 1	Mar. 1
Do. 7% pfd.	†1.75	Apr. 1	Mar. 1
Auto Fabrics A	.15	Apr. 1	Mar. 15
Do B	.10	Apr. 1	Mar. 15
Bk. of Nova Scotia	.35	May 1	Mar. 31
Beatty Bros.	.25	Apr. 1	Mar. 15
Beaver Lumber A	.25	Apr. 1	Mar. 10
Do. pfd.	.35	Apr. 1	Mar. 10
Bela. Cort.	1.50	Apr. 1	Feb. 28
Do. pfd.	1.75	Apr. 1	Feb. 28
Belgium Glove	.15	Apr. 1	Mar. 15
Do. pfd.	.25	Apr. 1	Mar. 15
Bell Telephone	.50	Apr. 15	Mar. 15
Biltmore Hats	.10	Apr. 15	Mar. 31
Do. A	.25	Apr. 15	Mar. 31
Bralorne M	.10	Apr. 15	Mar. 24
Brantford Cord. A	.25	June 1	May 4
Brazilian Tr. pfd.	1.50	Apr. 3	Mar. 15
Brewers & Dist.	.25	June 1	Apr. 29
Do.	.25	Sep. 1	July 31
B. A. Assur.	1.88	Apr. 1	Mar. 24
B. A. Oil	.25	Apr. 1	Mar. 7
Do. pfd.	0.234375	Apr. 1	Mar. 7
B. C. Electric 4% pf.	1.00	Apr. 1	Mar. 15
		Coup. 12-xc-Mar. 30	
Do. 4½% pfd.	1.19	Apr. 1	Mar. 15
		Coup. 6-xc-Mar. 30	
B. C. Power A	.40	Apr. 15	Mar. 31
B. C. Tel. 1st pfd.	1.50	Apr. 1	Mar. 17
Do. 2nd pfd.	1.50	May 1	Apr. 15
Do 4¾% pfd.	1.18¾	Apr. 15	Mar. 31
Brockville Tr. & S.	.62½	Apr. 1	Mar. 20
Building Products	.40	Apr. 1	Mar. 9
Burlington Steel	.25	Apr. 1	Mar. 10
Burns Co. A & B	.40	Apr. 28	Apr. 7
Do. A & B	.40	July 28	July 7
Do. A & B	.40	Oct. 28	Oct. 7
Caldwell Lin.	.20	May 1	Apr. 15
Do. 1st pfd.	.37	May 1	Apr. 15
Do. 2nd pfd.	.20	May 1	Apr. 15
Calg. & Ed. Corp.	.05	Apr. 15	Mar. 10
Can. Bread B pf.	.62½	Apr. 1	Mar. 10
Canada Dry	†.15	Apr. 1	Mar. 15
Do. pfd.	†1.06¼	Apr. 1	Mar. 15
Can. Flooring B	.15	Apr. 1	Mar. 15
Can. Foils	.10	May 15	May 1
Do. A	.15+.20	May 15	May 1
Can. Iron Fdry.	.40	Apr. 15	Mar. 31
Do pfd	.30	Apr. 15	Mar. 31
Can. Life Ass.	5.00	Apr. 1	Mar. 31
Can. Nor. Power	.15	Apr. 25	Mar. 20
Can. Packers A	.75	Apr. 1	Mar. 1
Do. B	.25+.50	Apr. 1	Mar. 1
Can. Perm. Mtge.	2.25	Apr. 1	Mar. 15
Can. Starch	.50	Mar. 31	Mar. 24
Do. pfd.	3.50	Mar. 31	Mar. 24
Can. Steamship	.50	Apr. 15	Mar. 18
Can. Varnish pfd.	.31¼	Apr. 1	Mar. 20
Can. Bk. of Comm.	.20	May 1	Mar. 31
Candn. Brew.	.50	Apr. 1	Feb. 28
Canon. Bronze	.31	May 1	Apr. 10
Do. pfd	1.25	May 1	Apr. 10
Candn. Can.	.31¼	Apr. 1	Mar. 10
Do. 1st pfd.	.25+.05	Apr. 1	Mar. 31
Do. 2nd pfd.	.15+.10	Apr. 1	Mar. 10
Candn. Cel.	.50	Mar. 31	Mar. 14
Do. $1 pfd.	.25	Mar. 31	Mar. 14
Do. $1.75 pfd.	.43¾	Mar. 31	Mar. 14
Candn. Cot.	.70+.50	Apr. 1	Mar. 3
Do. pfd.	.30	Apr. 1	Mar. 3
Can. Fairbanks pf.	1.50	Apr. 15	Mar. 31
Candn. For. I. Corp.	.50	Apr. 1	Mar. 10
Candn. Food A	.25	Apr. 1	Feb. 28
Do. pfd.	1.12½	Apr. 1	Feb. 28
Candn. Gen. Elec.	2.00	Apr. 1	Mar. 15
Can. Gen. Inv.	.22½+‡.21	Apr. 15	Mar. 31
Candn. Ind.	.20	Apr. 29	Mar. 31
Do. pfd.	1.75	Apr. 15	Mar. 15
Candn. Ice Mach. A	.20	Apr. 1	Mar. 15
Candn. Ing. Rand	1.00	Mar. 29	Mar. 15
Candn. Inv. Corp.	.10	May 1	Mar. 27
Do.	‡.50	Apr. 15	Mar. 10
Candn. Mot. Lamp	.15	Mar. 15	Feb. 25
Candn. Oil 4% pf.	1.00	Apr. 1	Mar. 10
Do. 5% pfd.	1.25	Apr. 1	Mar. 10
Do. 8% pfd.	2.00	Apr. 1	Mar. 10
Can. Pac. Rlwy.	.75	Mar. 31	Feb. 24
Can. Refractories pf	1.12½	Apr. 15	Mar. 30
Candn. Silk A	.37½	Apr. 1	Mar. 1
Can. West. Lumber	.10	Apr. 15	Mar. 18
Do.	.10	July 15	June 17
Do.	.10	Oct. 16	Sep. 18
Can. West. Nat. Gas	2.35	Apr. 3	Mar. 27
Can. Westinghouse	.50	Apr. 1	Mar. 15
Can. Wirebound A	.37½	Apr. 1	Mar. 10
Carnation Co. pfd.	†93¾	Apr. 1	Mar. 15
Cassidy's	.20	Apr. 1	Mar. 2
Do. pfd.	1.75	Apr. 1	Mar. 2
Celanese Corp.	†.60	Mar. 31	Mar. 17
Do. 1st pfd.	†1.18¾	Mar. 31	Mar. 17
Do 2nd pfd.	†1.75	Mar. 31	Mar. 17
Celtic Knit.	.50	July 31	July 15
Cert. Can. Loan	2.00	Apr. 1	Mar. 20
Chartered Trust	.25	Apr. 1	Mar. 15
Cinzano 5½% pf.	2¾%	Mar. 31	Mar. 15
Circle Bar Knit. A	.50	Apr. 15	Mar. 31
Cockshutt Plow	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Confed. Life	2.00	June 15	June 10
Do.	2.00	Sep. 15	Sep. 10
Do.	2.00	Dec. 15	Dec. 10
Consol. Litho.	.50	Mar. 31	Feb. 28
Consol. Text. pfd.	.50	Jun. 1	May 15
Consumers Gas	2.00	Apr. 1	Mar. 15
R. L. Crain	.10	Apr. 1	Mar. 15
Cresc. Creamery pf.	5.00	Mar. 31	Mar. 15
Crown Trust	1.25	Apr. 1	Mar. 20
David & Frere A	.25+.75	Mar. 31	Mar. 15
Do. B	.50	Mar. 31	Mar. 15
Delnite M.	.02	Apr. 1	Feb. 20
Dome Mines	.17½	Apr. 29	Mar. 29
Dom. Bank	.25	May 1	Apr. 15
Dom. Dairies	.12½	Apr. 15	Mar. 31
Do. pfd.	.43	Apr. 15	Mar. 31
Dom. Foundries	.35	Apr. 1	Mar. 10
Dom. Glass	.25	Apr. 15	Mar. 28
Do. pfd.	.35	Apr. 15	Mar. 28
Dom. Malting	.25	May 1	Apr. 6
Do. pfd.	1.25	May 1	Apr. 6
Dom. Tar & Chem.	.25	May 1	Apr. 1
Do. pfd.	.25	Apr. 1	Mar. 1
Dom. Textile	.25	Apr. 1	Mar. 3
Do. pfd.	1.75	Apr. 15	Mar. 15
Donnacona Paper	.50	Apr. 1	Feb. 28
Do.	1.12½	May 15	Apr. 14
Donnell & Mudge	.25	Apr. 1	Mar. 20
East. C. Sav. & Loan	1.50	Apr. 1	Mar. 20
Eastern Tr.	.20	Apr. 1	Mar. 20
Easy Washing	.05+.05	Apr. 1	Mar. 15
Econ. Inv. Tr.	1.00+1.75	Mar. 24	Mar. 15
Estabrooks pfd.	.26	Apr. 15	Mar. 17
Evans Coleman A	.15	Apr. 1	Mar. 21
Do. B	.05	Apr. 1	Mar. 21
Famous Players	.25	Apr. 1	Mar. 17
Fanny Farmer	†.37½	Mar. 31	Mar. 15
Fashion Craft pfd.	1.25	Apr. 1	Mar. 20
Fed. Fire Ins.	1.00	Aug. 15	Aug. 11
Foothills Oil	.12½	Apr. 1	Mar. 17
Found. of Can.	.35+.50	Apr. 21	Mar. 31
Fraser Cos.	.50	Apr. 24	Mar. 31
Do. pfd.	1.19	Apr. 1	Mar. 10
Gatineau Pwr.	.30	Apr. 1	Mar. 1
Do. 5% pfd.	1.25	Apr. 1	Mar. 1
Do. 5½% pfd.	1.37	Apr. 1	Mar. 1
Gen. Steel Wares	.25	May 15	Apr. 17
Do. pfd.	1.25	May 1	Apr. 3
Golden Man.	.05	Apr. 1	Mar. 10
Goodyear Tire	1.00	Apr. 1	Mar. 10
Grand & Toy	.15	Mar. 31	Mar. 21
Gt. Lakes Pap.	.25+.15	Mar. 31	Mar. 10
Do. pfd. A	.62½	Mar. 31	Mar. 10
Gt. West Felt pfd.	.12½	Apr. 1	Mar. 17
Gt West Life	5.00	Apr. 1	Mar. 20
B. Greening Wire	.05	Apr. 1	Mar. 15
Gypsum, Lime A	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Ham. Bridge	.12½+.12½	Apr. 1	Mar. 15
Hamilton Cot.	.25	June 1	May 10
Harding Carp.	*.20	Apr. 1	Mar. 15
Hart Battery	.15	Apr. 8	Mar. 9
Hendershot Pap.	.25	Apr. 1	Mar. 24
Do. pfd.	2.50	Apr. 1	Mar. 24
Hinde & Dauch	.25	Apr. 1	Feb. 28
Holden Mfg. A	.15	May 1	Apr. 14
Hollinger Cons.	.06	Mar. 30	Mar. 2
F. W. Horner A	.12½	Apr. 1	Mar. 1
How Smith	.50	Apr. 29	Mar. 31
Do. pfd.	.50	Apr. 20	Mar. 31
Huron & Erie Mtge.	1.25	Apr. 1	Mar. 15
Imp. Bank	.30	May 1	Mar. 31
Imp. Tobacco	.12½+.12½	Mar. 31	Feb. 27
Do. pfd. 6%	3%	Mar. 31	Feb. 27
Do pfd. 4%	.25	May 1	Mar. 21
Indust Accept.	.50	Mar. 31	Mar. 3
Do 4¼% pf.	1.06¼	Mar. 31	Mar. 3
Do 5% pfd.	1.25	Mar. 31	Mar. 3
Do 5% pf. $25 par	.31¼	Mar. 31	Mar. 3
Do 5% pf. $32 par	*.20	Mar. 31	Mar. 3
Ingersoll M. & T. A	.12½	Apr. 1	Mar. 15
Do. pfd.	1.00	Apr. 1	Mar. 15
John Inglis	.10	Apr. 1	Mar. 17
Inter City Bak.	.20	Mar. 31	Mar. 15
Int. Bronze pf.	.37½	Apr. 15	Mar. 15
Int Met A	.50	Apr. 1	Mar. 10
Do. B	.50	Apr. 1	Mar. 10
Do. pfd.	1.12½	Apr. 1	Mar. 10
Int. Nickel	†1.75	May 1	Apr. 3
Int. Paper	†.62½	Mar. 27	Feb. 27
Do. pfd.	†1.00	Mar. 27	Feb. 27
Int. Power	.60	Apr. 15	Mar. 15
Do. 2nd pfd.	3.00	Apr. 15	Mar. 15
Invest. Found.	.40	Apr. 15	Mar. 15
Do. pfd.	.75	Apr. 15	Mar. 15
Jam. Pub. Ser.	.25	Apr. 1	Feb. 28
Do. pfd.	1.75	Apr. 1	Feb. 28
Jenkins Bros.	.25	Mar. 31	Mar. 17
Journal Pub.	.20	Apr. 15	Mar. 31
Kerr-Addison G. M.	.18	Mar. 28	Feb. 28
Kirkland L. G. M.	.02	May 1	Mar. 31
John Labatt	.25	Apr. 1	Mar. 15
La Luz M.	.05	Apr. 12	Mar. 10
J. A. Lang	.25	Apr. 1	Mar. 10
Laprairie pfd.	1.50	Apr. 1	Mar. 15
Lawson & Jones A	.50	Apr. 1	Mar. 15
M. Loew's	1.00	Mar. 31	Mar. 18
London Hose.	.15+.40	Apr. 1	Mar. 15
W. M. Lowney	.25	Apr. 15	Mar. 15
H. R. Macmillan A & B	.12½	Mar. 31	Mar. 10
Mailman Corp.	.25	Mar. 31	Mar. 16
Man. Sugar pf.	3.00	Apr. 1	Mar. 15
Mar. I. & T.	.20	Apr. 15	Mar. 20
Do. pfd.	.17½	Apr. 15	Mar. 20
McCabe Gr. A	.15	May 1	Apr. 15
Do. B	.10	May 1	Apr. 15
McColl-Front. pfd.	1.00	Apr. 20	Mar. 31
Mersey Pap.	.50	Apr. 1	Mar. 4
Do. pfd.	1.25	Apr. 1	Mar. 4
Mid. & Pac. Gr.	.50	Aug. 1	July 15
Minas Basin	.40	Apr. 1	Mar. 15
Minn. & Ont. Pap.	†.37½	Apr. 25	Mar. 31
Minn. St. Paul & S.S. Marie Riv.	†1.00	Apr. 1	Mar. 15
J. S. Mitchell	1.00	Apr. 1	Mar. 15
Robt. Mitchell	‡1.00	Apr. 15	Mar. 15
Do.	.50	June 15	May 15
Do.	.50	Dec. 15	Nov. 15
Mod. Containers A	.25	Apr. 1	Mar. 20
Molsons A	.20	Mar. 23	Mar. 2
Do. B	.20	Mar. 23	Mar. 2

Market Comment

What stocks and bonds are doing and what prominent observers say

Both Canadian and U. S. markets have broken out of their three-month trading range on the upside. Their ability to do this in the face of a widely awaited secondary decline speaks volumes for the underlying buying strength in the market. Implications are definitely bullish and a near-term assault on the Dow-Jones 1946 high of 213.36 (now 208.27) appears imminent.

Now at flood tide are the annual reports of Canadian business reporting on 1949 operations. Variations in earnings trend are wide and at the moment it would appear as if 1949 on the average will be off anywhere from 10%-15% from the record 1948 year. Actually, operations did not compare quite as well as earnings indicated in many cases, since a good many companies did not withdraw any reserve provisions from earnings this year as had been the case generally in 1948. Earnings, however, continue far ahead of prewar levels and where 1950 forecasts have been made they are far from gloomy.

New buying strength returned to the western oils this week sparked by Royalite and to a lesser extent Pacific Pete and Calvan Petroleums. These issues have been reflecting favorable results in drilling out of acreage acquired in the Redwater-Simmons area at the recent Alberta Government auction.

The amazing market record of the Interprovincial Pipe Line debentures which this week touched a high of $295 before reacting back to around $255-$260 has investment students unsuccessfully scanning back records to try to unearth anything that might parallel this move. The issue was offered six months ago at $100. Chief buying still is reported to be coming from New York and a large proportion of the holdings originally held in Canada have now disappeared south of the border. Company's announcement that it was seriously considering stepping up capacity of pipeline right away has considerably enhanced earnings prospects.

* * *

CRABTREE & McLAUGHLIN (Montreal)

There is a wealth of market precedent for the rule that when the leading averages break emphatically out of a long and restricted trading range, the direction of the break-out points a trend worth following. In this case the industrials now appear to be headed for the 210 area, if not a test of the 1946 peak of 213.36. Whether or not the latter hurdle is topped before an intermediate reaction develops, the background continues to favor its ultimate eclipse by a substantial margin.

It speaks volumes for the dynamics motivating this bull market that the trend has turned up again when so many factors provided a logical excuse for a corrective reaction. Since early this year, the market has been laboring against fairly formidable obstacles. The virtually uninterrupted 45-point rise since last June had lifted prices to a historically high level where heavy supply was indicated from both profit-taking and "get-even" sellers, at a time when the March 15, U. S. tax-payment date as usual turned a considerable segment of the stockholding public into net sellers and accentuated the withdrawal of funds from the market.

That the market's response to this situation was a period of lateral hesitation rather than an appreciable corrective decline is proof of the solidity of the investment fundamentals now sustaining the bull trend.

* * *

WESTERN CITY CO. (Vancouver)

For the reason that the new bull market has pursued its upward climb for nine months without an important setback, there has been a growing conviction on the part of some professional traders that a technical correction is about due. So far the market has withstood profit taking and, in addition, absorbed short sales to the extent of nearly 2½ million shares. This is the largest short interest since the market bottom of May, 1932.

While this expanded short interest is of no importance over the long-term, it may be regarded as a favorable factor for the weeks to come. In the event of a breakout of the prevailing "line" on the downside, advantageous short covering likely would cushion the decline. On the other hand, if the market swings back into gear on the upside, shorts, endeavoring to minimize their vulnerability, would be forced to compete on an already accelerated volume of buying.

In view of the present technical position of the market, it would seem probable that if a secondary reaction is to occur, it should give away no more than a third of its recent gains. This would indicate adjustments to levels of around 192 for the Industrials and 52 for the Rails. If, however, the inevitable reaction is delayed and the market continues upward, the Industrial index may easily move into the 220-225 range and a reaction from there should, at most, retrace to present-day levels.

* * *

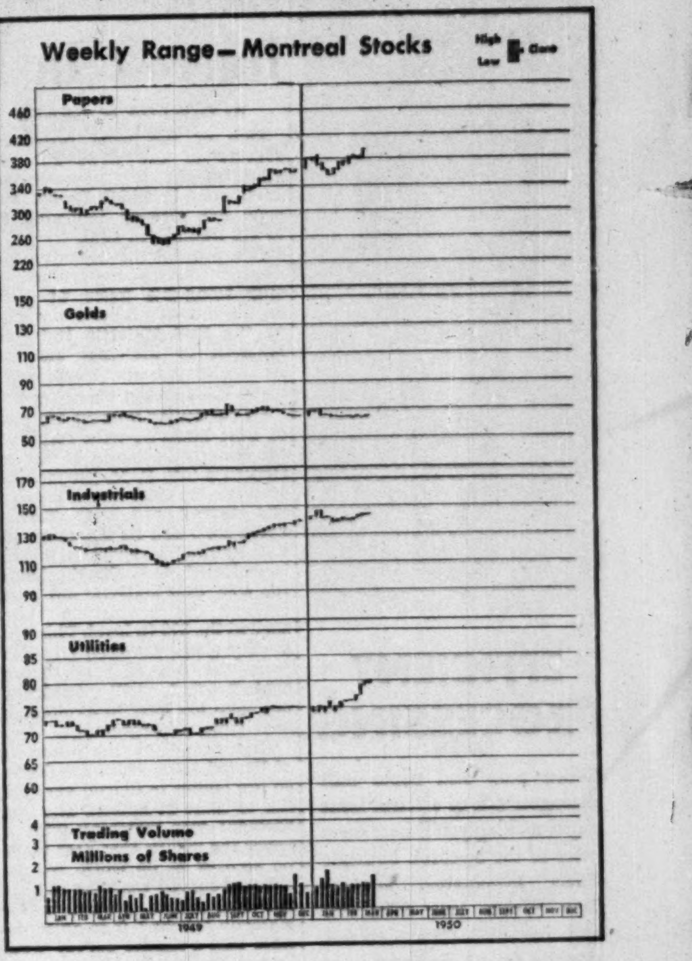
HUGH MACKAY & CO. (Saint John)

Unless the market is acting in a most peculiar fashion, it would appear that share prices are going to emerge from their recent "line" formation on the upside . . . . Of course, the market has a habit of doing just the opposite, so that the present might be an opportunity to take profits. However, we would be more inclined to the other alternative, that the market may be starting on the second leg of the bull market which started last June. The first move carried the averages up approximately 40 points, following which for the past two months there has been a period of "marking time." It would not be surprising to see the next swing take the industrial average to the 225-250 range.

* * *

BARRON'S: The Trader (New York)

For a bear market to develop, there must first be liquidating pressure in the shape of hardening money rates or a credit stringency, and, secondly, there must, in the fields of business or finance, be something to liquidate. With only $555 million borrowings, the stock market itself obviously requires no liquidation. With corporations at the end of last year holding cash and government bonds in excess of all current liabilities, business is just as obviously under no pressure suddenly to start liquidating in the midst of good times. Finally, for sustained selling of stocks to develop there must be demonstrably superior investment media, but as stocks still yield almost 2¼ times the return of high-grade bonds, it is difficult to demonstrate the superiority of the latter.



Company Meetings

1950	Company	Place
Mar. 23	Cap. Estates	Vancouver
Mar. 24	Corrugated Pap. Box	Leaside
Mar. 24	Nat. Brew.	Montreal
Mar. 24	Renold-Coventry	Montreal
Mar. 27	Bathurst Pr. & Pap.	Montreal
Mar. 27	Lapa Cadillac G.M.	Toronto
Mar. 27	Lexindin G.M.	Toronto
Mar. 27	Osulake	Toronto
Mar. 28	Can. Nor. Pwr.	Montreal
Mar. 29	Cons. Litho.	Montreal
Mar. 29	Can. N.W. Land	Toronto
Mar. 29	Cassidy's Ltd.	Montreal
Mar. 29	Gillies Lake	Toronto
Mar. 29	Leitch G.M.	Toronto
Mar. 29	Nat. Brew.	Montreal
Mar. 29	Tamblyn Ltd.	Toronto
Mar. 30	J. S. Mitchell	Sherbrooke, P.Q.
Mar. 30	Preston East Dome	Toronto
Mar. 30	Scarfe & Co.	Brantford
Mar. 31	Amalgamated Oils	Calgary
Mar. 31	Barymin Co.	Toronto
Mar. 31	Candn. Locomotive	Kingston
Mar. 31	Lake Shore M	Kirkland Lake
Mar. 31	Macassa M.	Toronto
Apr. 1	Blue Top Brew.	Kitchener
Apr. 3	Candn. Investors Corp.	Toronto
Apr. 5	Aunor G. M.	Toronto
Apr. 5	Coniagas M.	Toronto
Apr. 5	Fraser Cos.	Edmonton
Apr. 5	Sturgeon Riv. G.M.	Toronto
Apr. 12	Celanese Corp.	New York
Apr. 12	Crown Cork	Toronto
Apr. 12	Dom. Tar & Chem.	Montreal
Apr. 13	Abitibi	Toronto
Apr. 14	Auto Fabrics	Montreal
Apr. 14	Hallnor M.	Toronto
Apr. 14	Pamour Porc. M.	Toronto
Apr. 19	Candn. Cel.	Montreal
Apr. 19	Cap Estates	Vancouver
Apr. 20	Asbestos Corp.	Montreal
Apr. 20	Can. West. Lumber	Vancouver
Apr. 20	Montreal Tram	Montreal
Apr. 22	Western Grocers	Winnipeg
Apr. 24	Dome M.	Toronto
Apr. 24	London Can. Inv. Corp.	Montreal
Apr. 25	Mtl. Locomotive Wks.	Montreal
Apr. 26	Anglo-Candn. Oil	Calgary
Apr. 26	Int. Nickel	Toronto
Apr. 27	Ind. Accept. Corp.	Montreal
Apr. 27	Regent Knit. Mills	Montreal
Apr. 28	Hudson Bay M.	Toronto
Mar. 3	C.P.R.	Montreal
May 10	Int. Paper	New York

Dividends Declared (con't.)

	This payment $	Date payable	Date of record
Monarch Knit.	.25	Apr. 1	Mar. 10
Do. pfd.	1.12½	Apr. 1	Mar. 10
Mtl. City & Dist. Sav. Bk.	.35	Apr. 1	Mar. 1
Mtl. Locomotive	.40	Apr. 1	Mar. 13
Mtl. Telegraph	.50	Apr. 15	Mar. 15
Moore Corp.	.75	Apr. 1	Mar. 10
Do. A & B	†1.75	Apr. 1	Mar. 10
Do. 4% pfd.	.25	Apr. 1	Mar. 10
Murphy Paint	.20	Mar. 31	Mar. 15
Nat. Biscuit	†.50	Apr. 14	Mar. 7
Nat. Brew.	.50	Apr. 1	Mar. 10
Do. pfd.	.44	Apr. 1	Mar. 10
Nat. Grocers	.15	Apr. 1	Mar. 15
Do pfd.	.37½	Apr. 1	Mar. 15
Nat. Hose. Mills A	.15	Apr. 1	Mar. 3
Do.	.15	July 1	June 2
Do.	.15	Oct. 1	Sep. 1
Do.	.15	Jan. 2	Dec. 1
Do. B	.40	Apr. 1	Mar. 3
Nat. Steel Car	.37½	Apr. 15	Mar. 15
Nat. Trust	.25	Apr. 1	Mar. 15
New Eng. Elec.	†.20	Apr. 1	Mar. 13
Niagara W. W.	.40	Apr. 1	Mar. 1
Normetal M.	.09	Mar. 31	Mar. 3
N. Star Oil pf.	.08¾	Apr. 1	Mar. 10
N. W. Brewing	.15	Mar. 31	Mar. 20
N. S. Lt & Pwr.	.25	Apr. 1	Mar. 7
Obsco Ltd. pfd.	.28	Apr. 3	Mar. 20
Ogilvie Flour	.25	Apr. 1	Feb. 24
Ont Loan & Deb.	1.25	Apr. 1	Mar. 15
Ont. Steel	.75	May 15	Apr. 14
Do. pfd.	1.75	May 15	Apr. 14
Pac. Coast Term.	.25+.12½	Apr. 15	Apr. 1
Page-Hersey	.50	Apr. 1	Mar. 15
Paramount Pict.	†.50	Mar. 29	Mar. 16
Paul Service Stores	.25	Apr. 3	Mar. 15
Penmans Ltd.	.75	May 15	Apr. 17
Do. pfd	1.50	May 1	Apr. 3
Perron G. M.	.01	Apr. 29	Apr. 1
Petrol Oil & Gas	.02	Mar. 31	Mar. 17
Porc. Reef G. M.	*.02	Apr. 3	Mar. 1
Power Corp. 1st pf.	1.50	Apr. 15	Mar. 20
Do. 2nd pfd.	.75	Apr. 15	Mar. 20
Pressed Metals	.25	June 1	May 10
Preston E. Dome	.02	Apr. 15	Mar. 20
Proprietary M.	.18	Mar. 28	Feb. 28
Provincial Pap.	.50	Mar. 16	Mar. 3
Que. Manitou	.02	Apr. 1	Mar. 10
Que. Power	.25	May 25	Apr. 15
Que. Telephone A	.40	Mar. 31	Mar. 11
R. & M. Bear.	.27	Apr. 1	Mar. 15
Regent Knit. pfd.	.40	June 1	May 15
Do.	.40	Sep. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Reitman's pfd.	.25	May 1	Apr. 15
Reliance Gr	8.50	Mar. 22	Mar. 21
Remington-Rand	†.25	Apr. 1	Feb. 9
Do. pfd.	†1.12½	Apr. 1	Feb. 9
Renfrew Text. A	.15	Apr. 1	Mar. 13
Renold-Cov. A	.27+.05	Apr. 1	Mar. 15
Do.	.28+.05	July 3	June 15
Do.	.27+.05	Oct. 2	Sept. 16
Riverside Silk A	.50	Apr. 1	Mar. 15
Do. B	1.00	Apr. 1	Mar. 15
P. L. Robertson	.50+.50	Apr. 1	Mar. 20
Do. pfd.	.62½	Apr. 1	Mar. 20
Robinson Little	.20	Mar. 31	Mar. 15
Robinson Cot.	.10	May 1	Apr. 1
Russell Ind.	.25	Mar. 31	Mar. 10
Do pfd.	1.75	Mar. 31	Mar. 10
St. Law. Flour	.40	May 1	Mar. 3
Do. pfd.	1.75	May 1	Mar. 3
Saguenay Pap.	1.06	Apr. 1	Mar. 13
San Antonio	.07	Apr. 15	Mar. 15
Sangamo	.17½	Apr. 3	Mar. 30
Schultz Die Cast pf.	.62½	Apr. 1	Mar. 15
Shawinigan W. & P.	.30	May 25	Apr. 15
Do. A pfd.	.50	Apr. 2	Mar. 2
Do. B pfd.	*.18½	Apr. 2	Mar. 15
Sheep Creek M.	.02	Apr. 15	Mar. 31
Sherwin-Williams	.25	May 1	Apr. 10
Do. pfd.	1.75	May 1	Apr. 10
Sick's Brew.	.30	Mar. 31	Mar. 1
Do. V.T.	.30	Mar. 31	Mar. 1
Silver Miller M.	*.05	Apr. 29	Apr. 1
Silverwood's Dairy A	.15	Apr. 1	Feb. 28
Do. B	.10	Apr. 1	Feb. 28
Silverw'ds, W. A. pf.	1.25	Apr. 1	Feb. 28
N. Slater	.45	May 1	Apr. 8
Do. pfd.	.53	Apr. 15	Apr. 3
Southam	.25	Mar. 28	Mar. 13
So Can. Pwr.	.35	May 15	Apr. 20
Stadacona M.	.03	Apr. 15	Mar. 25
Stand. Pav.	.50	Apr. 1	Mar. 1
Do. pfd.	.62½+.50	Apr. 1	Mar. 1
Stand. Radio A & B	.10	Apr. 11	Mar. 20
Stedman Bros	.20	Apr. 1	Mar. 15
Steel of Can. N.	.20	May 1	Apr. 7
Do pfd. N.	.20	May 1	Apr. 7
Sterling Tr.	1.50	Apr. 1	Mar. 15
Sun Life	5.00	Apr. 1	Mar. 16
G. Tamblyn	.25+.05	Apr. 1	Mar. 10
Do. pfd.	.50	Apr. 1	Mar. 10
Tay. Pear. & Car.	.20	July 3	Mar. 1
Thrift Stores	.25	Apr. 1	Mar. 15
Tip Top Can. A	.25	Apr. 1	Mar. 20
Tip Top Tail.	.15	Apr. 1	Mar. 1
Tooke Bros	.18	Apr. 3	Mar. 15
Tor. Gen. Tr.	1.75	Apr. 1	Mar. 10
Tor. Iron	.15	Apr. 1	Mar. 15
Do. A	.15	Apr. 1	Mar. 15
Tor. Mtge.	1.25	Apr. 1	Mar. 15
Traders Fin. A	.37½	Apr. 1	Mar. 15
Do. B	.37½	Apr. 1	Mar. 15
Do. pfd	1.12½	Apr. 1	Mar. 15
Tuckett Tob.	1.75	Apr. 15	Mar. 31
Twin City Rap. Tr.	†.62½	Apr. 1	Mar. 24
Union Gas	.12½	May 1	Apr. 6
United Fuel A	.75	Apr. 1	Mar. 9
United Steel	.15	Mar. 31	Mar. 17
Do. pfd.	.75	May 1	Apr. 14
Verney Corp. pf.	.37	Apr. 1	Mar. 15
Viau Ltd.	.25	Apr. 1	Mar. 20
Do. pfd.	1.25	Apr. 1	Mar. 20
Victoria Tr. & Sav.	1.75	Apr. 1	Mar. 15
Wabasso Cot.	.25	Apr. 1	Mar. 11
Waterous Ltd.	.10	Apr. 17	Mar. 31
W. Koot. Pr. & Lt. pfd.	1.75	Apr. 1	Mar. 15
West. Assur.	1.50	Apr. 1	Mar. 24
West. Grocers A	.50	Apr. 15	Mar. 15
Do pfd	.35	Apr. 15	Mar. 15
Geo. Weston	.25	Apr. 1	Mar. 10
Willson Stat. pfd.	1.25	Apr. 15	Mar. 31
Wilsil Ltd.	.25	Apr. 1	Mar. 1
Woods Mfg.	.25	Mar. 31	Mar. 10
Wool Combing	.40	Apr. 10	Mar. 25
Wright-Harg. M.	.04	Apr. 1	Feb. 24

†American funds. *Initial. ‡Extra.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government Offerings of Corporation and Foreign Securities

DOMINION

Government of Canada Treasury Bills—Due June 9, 1950. $75,000,000, issued Mar. 10, 1950. Sold at $99.87230 to yield .513%.

PROVINCIAL

Province of New Brunswick—3½% sinking fund debentures, due Apr. 1, 1967. $7,500,000. Dated Apr. 1, 1950. Offered at $99.50 and accrued interest to yield 3.54% by Nesbitt, Thomson & Co. Ltd., Gairdner & Co. Ltd., Greenshield & Co. Inc., L. G. Beaubien & Co., Ltd., Burns Bros. & Denton Ltd., James Richardson & Sons, Stanbury & Co. Ltd. and J. C. Mackintosh & Co. Ltd.

MUNICIPAL

School District No. 5, Creston, B.C.—3¾% and 3½% debentures, due Dec. 1, 1950-59-69, $320,000. Issued Feb. 20, 1950. Sold at $100 to McMahon & Burns Ltd.

Elgin School District No. 153, Manitoba—4% debentures, due Mar. 1, 1951-70, $72,000. Issued Feb. 27, 1950. Sold at $100.90 to Wood, Gundy & Co. Ltd.

School Commission of Filiatrault, P.Q.—3½% debentures, due Jan. 2, 1951-65, $45,000. Issued Feb. 27, 1950. Sold privately at $100.

School Commission of the Parish of Ste-Therese, P.Q.—3½% debentures, due Nov. 1, 1950-69, $34,700. Issued Feb. 27, 1950. Sold privately at $100.

Township of Weedon, P.Q.—3% debentures, due June 1, 1950-69, $22,000. Issued Feb. 27, 1950. Sold privately at $100.

Town of Leaside, Ont.—3% debentures, due Feb. 15, 1951-70, $175,000, issued Mar. 6, 1950. Sold at $97.85 to J. L. Graham & Co. Ltd. & Fairclough & Co. Ltd.

School Commission of Town of Quebec-West, P.Q.—3% debentures, due Mar. 1, 1951-55, $225,000. Issued Mar. 7, 1950. Sold at $99.76 to McTaggart, Hannaford, Birks & Gordon Ltd.

Village of Chambly-Bassin, P.Q. — 2¾% and 3% debentures, due Jan. 1, 1951-60-65, $25,000. Issued Mar. 8, 1950. Sold at $97.53 to Wood, Gundy & Co. Ltd. and Candn. Bank of Commerce.

Town of Port Hope, Ont. — 3% and 3¼% debentures, due Mar. 15, 1951-55-65-70, $321,550. Issued Mar. 13, 1950. Sold at $102.08 to Fairclough & Co. Ltd. and Imperial Bank.

Goose Lake School District No. 1283, Roblin, Man. — 4% debentures, due Dec. 15, 1950-59, $40,000. Issued Mar. 13, 1950. Sold at $100.7856 to Osler, Hammond & Nanton & Co. Ltd.

School Commission of the Village of Riviere-des-Prairies, P.Q.—3% and 3½% debentures, due Dec. 1, 1950-54-69, $160,000, issued Mar. 13, 1950. Sold privately at $98.

Village of Shawinigan South, P.Q.—3½% debentures, due Feb. 1, 1951-62, $15,500. Issued Mar. 13, 1950. Sold privately at $100.

City of Winnipeg, Man.—3% serial debentures, due Apr. 1, 1951-60, $1,500,000. Issued Mar. 10, 1950. Sold at $102.671, cost basis 2.49% to Wood, Gundy & Co. Ltd., Royal Bank of Canada and Nesbitt, Thomson & Co. Ltd.

CORPORATE

Selburn Oil Co. Ltd.—5% ten-year debentures, $675,000, issued Mar. 13, 1950. Offered at $100 and accrued interest by Melady, Sellers & Co. Ltd., Burns Bros. & Denton Ltd. and Midland Securities Ltd.

British Columbia Electric—3½% first mortgage bonds, series E, due Mar. 1, 1975, $20,000,000. Dated Mar. 1, 1950. Offered at $99 and accrued interest to yield 3.56% by Nesbitt, Thomson & Co. Ltd., Wood, Gundy & Co. Ltd. and Societe de Placements, Inc.

Burns & Co. Ltd.—4% first mortgage sinking fund bonds, series "B," due May 1, 1963, $1,200,000. Dated Mar. 15, 1950. Offered at $99 and accrued interest by Dominion Securities Corp. Ltd., Nesbitt, Thomson & Co. Ltd., Bell, Gouinlock & Co. Ltd., Midland Securities Ltd., James Richardson & Sons, Cochran, Murray & Co. Ltd., Matthews & Co., R. A. Daly Co. Ltd., Houston, Willoughby & Co. Ltd.; Pemberton & Son, Vancouver, Ltd. and Tanner & Co. Ltd.

Industrial Acceptance Corp.—4% sinking fund debentures, due Apr. 1, 1969, $10,000,000. Issued Mar. 13, 1950. Offered at $100 by Greenshields & Co. Inc. and Wood, Gundy & Co. Ltd.

COMMON

Selburn Oil Co. Ltd.—337,500 common shares (no par value) offered at 10c per share by Melady, Sellers & Co. Ltd., Burns Bros. & Denton Ltd. and Midland Securities Ltd.

Palestine Economic Corp. of Canada Ltd. — $500,000 common stock. Offered at $100 per share (par value $100) by Palestine Economic Corp. of Can. Ltd.

British American Oil Co. Ltd.—400,000 common shares (no par value) offered at $26⅛ per share by Wood, Gundy & Co. Ltd., Dominion Securities Corp. Ltd., Gairdner & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Royal Securities Corp. Ltd., Nesbitt, Thomson & Co. Ltd., W. C. Pitfield & Co. Ltd., Jas. Richardson & Sons, Greenshield & Co. Inc., W. C. Harris & Co. Ltd., Mills, Spence & Co. Ltd., Bell, Gouinlock & Co. Ltd., Wills, Bickle & Co., Cochran, Murray & Co. Ltd., Midland Securities Ltd., L. G. Beaubien & Co. Ltd., Burns Bros. & Denton Ltd., Milner, Ross & Co., Fairclough & Co. Ltd., R. A. Daly Co. Ltd., Melady, Sellers & Co. Ltd., McTaggart, Hannaford, Birks & Gordon Ltd., Pemberton & Son, Vancouver Ltd., H. B. Housser & Co., Eastern Securities Co. Ltd., Western City Co. Ltd., Dominion Corp. of Canada, Collier, Norris & Quinlan Ltd., Tanner & Co. Ltd., Houston, Willoughby & Co. Ltd., Osler, Hammond & Nanton Ltd., Yorkshire Securities Ltd. and Hagar Investments Ltd.

New Highs & Lows

During the week ended March 18, 40 new highs were recorded among the general stocks on Canadian stock exchanges and nine new lows. In the mining group there were eight new highs and six new lows. In the western oil group there was one new high and three new lows.

GENERAL

New Highs—1950

Abitibi
Bathurst Pwr. A
Bruck Mills A
Candn. Celanese
Candn. Fairbanks
Can. Westinghouse
Capital Estates
Celtic Knit.
De Havilland 'A'
Distill.-Seagram
Dom. Electro.
Dom. Engineer.
Dom. Tar & Chem. V.T.
East Koot. Pr.
Do. pref.
Foundation Co.
Gt. Lakes Paper
Indust. Accept.
Do. 5% conv. p.
Do. 5% c.c. pf.
MacLaren Power
Robt. Mitchell
Mod. Contain.
Do. A
North Can. Mtge.
Powell River com.
Quebec Telephone
Royal Oak D. A
St. Law. Corp. 1st pref.
St. Law. Paper 1st pref.
Southmount
Stand. Chem. pref.
Steel of Can. pref.
Sun Publishing (Vancouver)
Taylor, Pearson & Carson of Can.
Traders Fin. A
Twin City com.
Union Gas
Walker, Hiram
Westeel Products

New Lows—1950

Bertram & Sons A
Cons. Press A
Lindsay, C. W. pf.
Molson Brew. B N.
Nat. Brew. com.
Nat. Grocers com.
St. Law. Flour
Steel of Can. C. N.
Weston, Geo.

MINING

New Highs—1950

Anglo-Huronian
Cons. Ansley
Kerr-Addison
Macassa
Osulake
Silver Standard
Silver Miller
Wellington

New Lows—1950

Band Ore.
Gold Beam
Hosco
Silanco
Sudbury Contact
Wekusko

OILS

New Highs—1950

Vulcan

New Lows—1950

Br. Empire
Polaris
South Brazeau

CANADIAN OIL COMPANIES reports record high consolidated net profit of $931,181 for 1949, up 4.9% from the 1948 figure of $887,408. Record demand produced all-time high sales of $33,818,436, including gasoline sales of 130,829,382 gallons, up 8%. President W. H. Rea states that indications point to further gains in demand in 1950. Net profit per gallon of gas averaged about .7c.

Increasing availability of oil from Alberta is being paralleled by a rise in consumption of petroleum products, he said.

Funded debt was reduced by $314,000 and inventory reserve increased by $72,000.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net income	$2,894,234	$2,538,594
Less: Deprec. res.	1,128,671	967,565
Bd. & deb int.	192,582	154,421
Inc. tax res.	641,800	529,200
Net profit	931,181	887,408
Less: Pref. divds.	250,000	250,000
Com. divds.	324,200	323,200
Surplus for year	356,981	314,208
Times Interest Earned:		
Before deprec.	15.03	16.44
After deprec.	9.17	10.17
Earnings per Share and Dividend Record:		
Preferred	$23.28	$22.19
Paid (8%)	8.00	8.00
Paid (5%)	5.00	5.00
Paid (4%)	4.00	4.00
Common	1.67	1.58
Paid (new)	0.80	0.80

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$430,304	$781,148
Accts. rec.	1,860,127	1,630,247
Inventories	5,780,575	6,198,485
Total curr. assets	8,071,006	8,609,880
Misc. assets▲	3,944,243	2,254,860
Fixed assets	21,078,357	19,886,193
Total assets	33,093,606	30,750,933
Accts., etc., pay.	2,783,573	3,970,635
Taxes pay.	408,224	482,143
Total curr. liab.	3,191,797	4,452,778
Funded debt	6,426,000	4,500,000
Deprec. res.	10,851,893	10,109,519
Invent. res.	225,000	153,000
Mtge. pay. & def. liabs.	1,264,496	908,197
Capital stock	8,390,932	8,340,932
Surplus	2,943,488	2,286,507
▲Incl. ref. EPT	206,889	255,627
Working capital	4,879,209	4,157,102

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Government Bonds

Mar. 21, 1950

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	101¼	101⅜
3	Mar. 1954	102⅞	103¼
3	Nov. 1956	103	103¼
3	May 1957	102¼	102⅞
3	Jan. 1959	102⅞	103¼
3	June 1960	102½	103
3	Feb. 1962	102⅝	102⅞
1½	Nov. 1950	100	100¼
3	Oct. 1963	102⅜	102¾
3	Sept. 1966	102¼	103
Dom. of Can. Bonds:			
3	June 1958	102¼	102½
3¼	Feb. 1952	102⅜	102⅞
3	June 1955	100¼	100½
3¼	June 1966	103½	104
3	Perpetual	†101¼	102
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101⅞	102⅜
4½	Feb. 1956	▪123¼	125⅛
4½	July 1957	♦126¼	127½
5	Feb. 1954	109	109⅞
4½	June 1955	▪123¼	124⅞
2¾	Jan. 1967	98⅞	99⅞
2¾	Sept. 1969	99½	100½
3	Jan. 1966	101⅞	102⅜
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	▪124	125
Grand Trunk Pacific Rly.:			
3	Jan. 1962	▪114½	116½
4	Jan. 1962	▪125⅞	127⅞

%	Due	Bid	Ask
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/71	100	100½
3½	June 1956/72	♦110	111
British Columbia:			
4½	Jan. 1969	♦134⅞	136⅞
5	Sept. 1953	106½	107⅞
3	Dec. 1960	99⅞	100⅞
3	June 1964	98⅞	100¼
5	Sept. 1959	♦130	132
B. C. Power Comm.:			
3	Oct. 1967	98	99½
Manitoba:			
4	Dec. 1957	♦119⅞	121⅞
4½	Dec. 1956	♦121⅞	123¼
5	Dec. 1959	▪130	132
5½	July 1958	116¼	118¼
3	Oct. 1965	99	100½
New Brunswick:			
4½	Apr. 1961	♦122⅞	124⅞
2¾	June 1966	89	91
3¼	May 1957	98¼	100¼
3½	Sept. 1965	98⅞	100⅞
Nova Scotia:			
3½	June 1956	101¼	102⅞
4½	Nov. 1960	♦125⅞	127⅞
5	Mar. 1960	♦129	131
3	June 1956/58	99⅞	101¼
2¾	Sept. 1966	95	97
3½	June 1963/65	101¼	102⅞

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69	96¼	97⅞
3½	May 1952/55	101¼	102¼
4	June 1962	▪124⅞	126⅞
4½	June 1950	100¼	101¼
4½	Jan. 1962	♦129¼	131¼
2¾	July 1967/77	94½	96½
3	Nov. 1963/65	99⅞	101⅞
5	May 1959	▪130⅞	132⅞
Ont. Hydro Commission:			
4	Aug. 1957	▪120¼	122¼
2¾	Oct. 1965/68	95⅞	97¼
3	Dec. 1963/65	100	101
3	Nov. 1967/69	99⅞	100⅞
Prince Edward Island:			
3½	Dec. 1961	101¼	102¼
Quebec:			
3½	Mar. 1954/59	103	104
3¾	Feb. 1952/55	102⅞	103⅞
4½	Aug. 1958	108½	109½
4½	Jan. 1963	114	115⅞
4	Nov. 1950/52	100⅞	101⅞
3	Sept. 1962/64	100¼	101⅞
Quebec Hydro Commission:			
3	Feb. 1969/73	99¼	100⅞
3	Dec. 1958/60	100½	101¼
Saskatchewan:			
4	Nov. 1955/60	101½	103
5	Aug. 1958	108½	110½
4½	Mar. 1960	♦119⅞	121¼
5½	Oct. 1952	104¼	105¼
6	Mar. 1952	104¼	106
5	Dec. 1959	♦123½	125½
3	Mar. 1963	94½	96½
3½	Nov. 1960/62	95⅞	97⅞
3½	Oct. 1962/65	101¼	102⅞

†Callable on or after Sept. 15, 1966. ♦Payable Can. or N. Y.
▪Payable Can., N. Y. or £.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.5	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
Apr.	211.9	234.2	88.4	70.8	205.7	111.9	274.4	139.6	109.7	132.4	115.7	106.4
May	208.4	227.4	84.2	70.2	204.2	112.8	275.7	136.3	107.4	132.4	113.5	105.3
June	184.7	210.8	85.3	63.8	196.0	111.8	273.3	131.4	104.1	131.0	109.2	99.6
July	196.8	221.4	89.6	66.6	202.2	112.9	292.4	137.0	108.4	130.7	114.3	104.2
Aug.	209.5	230.6	90.2	68.8	204.6	114.6	306.7	140.0	111.2	133.3	119.5	108.2
Sept.	213.1	240.1	93.0	68.9	204.8	116.0	312.5	143.0	112.8	135.2	122.7	109.6
Oct.	221.4	259.0	95.8	75.4	206.4	122.0	329.6	151.4	111.7	139.8	121.9	114.3
Nov.	231.0	274.3	91.8	82.6	219.9	123.5	336.5	158.6	112.2	142.2	121.6	118.2
Dec.	231.5	279.4	88.5	82.4	229.9	121.5	345.9	163.2	112.0	140.6	122.5	117.9
1950: Monthly Figures:												
Jan.	231.5	286.1	90.7	82.8	235.0	123.7	351.0	169.1	114.7	143.0	124.3	119.0
1950: Weekly Figures:												
Feb. 2	233.9	285.0	89.7	81.6	233.4	123.6	349.7	168.7	115.4	143.6	124.9	118.6
Feb. 9	228.0	295.0	85.4	81.5	232.1	124.5	356.2	172.3	116.5	142.8	125.7	119.0
Feb. 16	226.2	292.1	84.7	79.3	234.8	124.2	354.3	169.2	116.9	143.3	125.3	117.7
Feb. 23	231.6	294.8	84.7	79.4	239.1	120.4	363.0	168.4	117.1	142.4	125.0	117.8
Mar. 2	230.2	298.2	83.8	79.9	245.1	119.0	358.7	169.2	118.3	142.4	126.0	118.3
Mar. 9	238.7	299.6	83.1	78.6	246.3	118.6	369.7	168.0	121.7	142.6	126.3	117.9
Mar. 16	242.3	308.0	83.4	79.6	248.3	119.1	383.5	169.1	122.4	143.2	127.0	119.2

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Mar. 20	216.85	102.65	106.80	62.39
Mar. 18	217.11	102.90	106.56	62.04
Mar. 17	216.73	103.90	105.91	61.62
Mar. 16	216.62	101.08	106.49	60.82
Mar. 15	214.68	100.32	106.29	59.96
Mar. 14	213.24	99.34	105.13	59.28
Month ago	209.78	98.54	107.88	60.52
Year ago	170.73	94.34	93.56	46.65
1949-50 High	217.11	105.15	113.07	66.29
1949-50 Low	157.28	97.24	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Mar. 20	80.0	144.0	122.7	395.54	65.58
Mar. 18	80.1	144.3	122.9	395.37	65.41
Mar. 17	80.3	144.3	123.0	395.19	65.42
Mar. 16	80.3	144.2	122.9	393.08	65.10
Mar. 15	80.0	143.6	122.4	387.43	64.69
Mar. 14	80.0	143.7	122.5	381.73	64.65
Month ago	76.6	140.4	119.2	374.95	63.99
Year ago	71.7	120.1	104.0	307.88	64.45
1949-50 Hi.	80.3	146.2	123.0	395.19	74.40
1949-50 Lo.	70.0	109.3	96.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Mar. 20	207.78	55.25	43.67	74.91
Mar. 18	208.09	55.70	43.69	75.13
Mar. 17	207.57	55.70	43.69	75.02
Mar. 16	207.89	56.42	43.74	75.33
Mar. 15	207.46	56.05	43.47	75.04

	30 Indust.	20 Rails	15 Util.	65 Stocks
Mar. 14	204.70	54.96	43.11	74.00
Month ago	203.47	55.65	42.73	73.84
Year ago	175.61	47.54	35.00	63.01
1949-50 High	208.09	56.60	43.74	75.33
1949-50 Low	161.60	41.03	33.36	57.75

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Mar. 21, 1950

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▴Alg. Cen. H.B.R.	5	'59	90	93	90
Bell Telephone	3	'77	98	100½	98
B. C. Electric	3½	'67	96	98½	96
Do.	3½	'69	101	103½	101
Calgary Power	3½	'72	98½	...	98½
East Kootenay	3½	'67	92	...	91
‡Gatineau Pr. D.	3½	'70	101	103½	101
Gt. Lakes Pwr.	4½	'69	98½	101	98½
*Int. Hydro-El.	6	'44	66	69	66
Int. Prov. Pipe Line	4	'70	240	...	197
L. St. Law. Pwr.	3½	'65	97	100	97
Maclaren-Quebec Power	3	'69	96½	99½	96½
Mtl. Trams. B	5	'55	98	101	98
Nat. Lt. & Pwr.	4½	'61	100	103	100
Nor. Que. Pwr.	4½	'67	99	102	99
Power Corp.	3½	'67	97	...	97
Quebec Power	3	'62	98½	101	98½
St. Maurice Pr.	3½	'70	99½	102	99½
Shaw. W. & Pr.	3	'61	99	101½	99
Do.	3	'71	98	100½	97½
Do.	3½	'73	102	104½	102
Union Gas	4½	'50	100¼	...	100¼
Un. Fuel Invest.	4	'59	101½	...	101½
United Secs.	3	'52	99½	...	99½
Wpg. Electric	3½	'71	102	104½	102
Industrial Issues:					
Abitibi Pr. & P.	3½	'67	101½	104	101½
Acadia Atlantic Sugar	3½	'65	101	...	101
Aluminum Co.	3½	'74	102	...	102
Bathurst P. & P.	3½	'68	99½	...	99½
B. C. For. Prod.	4	'66	93	96	93
B. C. Pulp & Pa.	3½	'67	96	99	96
Bowater's Nfld. P. & P.	3½	'68	96½	...	96
Brompton Pulp & Paper	3½	'66	94½	97½	94½
†Brown Co.	5	'59	100	103	99½
Burns & Co.	4	'63	98	100½	98
Can. Steamship	3½	'57	99½	...	99½
Do.	4	'66	99	102½	99
Can. Bread	4½	'67	99	101½	99
Can. Brew.	3½	'67	94½	97	94½
Can. Celanese	3	'62	98	101½	98½
Can. Oil	3½	'62	99	102	99
Can. W. Lum.	4	'62	101	103½	101
C.P.R.	3½	'51	101	...	101
Do.	4	Perp.	115	...	112
Cockshutt Plow Co.	4½	'65	101½	104	101½
Columbia Cell.	5	'68	102	104½	102
Consol. Paper	3½	'67	101½	104	101½
Dom. Coal	4½	'52	100½	...	100½
Dom. Tar & Ch.	3½	'57	101½	...	101½
Dom. Textile	3½	'59	101½	...	101½
Dom. Woolens	5	'64	95	98	95
Dryden Paper	4	'61	100½	...	100½
E. B. Eddy	3½	'66	100	102½	100
Do.	4	'66	102	...	102
English Elec.	4	'67	95½	...	95½
Federal Grain	4	'64	100	103	100
Gt. Lakes Pap.	3½	'67	100½	...	100½
Imp. Tobacco	2¾	'66	97½	...	97½
Lake St. J. P.	5	'61	101½	...	101½
Laurentian Silk	4½	'67	100	...	100
MacMillan (H.R.) Ex.	4	'65	101	...	101
Maple L. M.	3½	'63	97	100	97
Massey-Harris	3	'66	96½	99½	96½
Do.	4½	'63	102½	105	102½
McColl-Front.	4	'71	96	99	95½
Mercury Mills	4	'63	99½	...	99½
Monarch Knit.	4	'66	99	...	99
N.S. Steel Coal	3½	'63	99	102	99
Penman's	3½	'66	100	...	100
Price Bros.	3½	'66	101½	104	101½
Silv. Dairies	4	'60-64	99	102	99
Do.	4	'71	91½	94½	91½
Simpsons Ltd.	3½	'60	101½	104	101½
Stl. Co. of Can.	2¾	'67	96½	99	96½
Tor. Elevators	3½	'66	99	...	99
United Corp.	4	'58	100½	...	100½
United Steel	4	'60	99	102	99
Un. Grain Gr.	4	'63	100	...	100
†Western Grain	5	'63	85	89	85
York Knit. Mills	3½	'71	90	94	90

*Payable in Canada or United States.
‡Payable in Canada only.
▴Payable in Canada or U. K.
†Payable in Canada, U. S. or U. K.

Municipal Bonds

Mar. 21, 1950

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'68	99	100½	3.71
Vancouver	3¾	'69	100	102	3.59
Calgary	3½	'69	99½	101½	3.38
Edmonton	3½	'69	99½	101½	3.38
Regina	3	'64	92¾	94¾	3.45
Moose Jaw	3-3½	'60	95	98	3.40
Winnipeg	3	'69	98	100	3.00
Ottawa	3¼	'68	103	105	2.89
Toronto	3	'68	99	101	2.92
Hamilton	3	'67	98	100	3.00
Windsor	2½	'75	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3½	'75	88	91	4.05
Montreal	3	'70	93½	96½	3.23
Quebec	3½	'64	99	101	3.42
Halifax	3	'66	95	98	3.15
Saint John	3½	'65	99	102	3.34

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
▴Indust. Accept. ser. A s.f. deb	4%	1966	Apr. 1	103
▴Do. ser. B s.f. deb.	3½%	1966	Apr. 1	103
▴Do. ser. C s.f. deb.	4%	1966	Apr. 1	103
▴H. Walker-Good. deb.	2¾%	1966	May 1	102¾

▴▴▴ o/s.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$22.64	$22.88	$19.68
Hogs	27.60	27.35	30.72
Copper, lb.	.18½	.18½	.23½
Sugar, raw, lb.	.0505	.0507	.0520
Coffee, lb.	.45½	.46¾	.26⅜
Hides	.25	.24½	.24½
Weekly Indices			
U. S. Labor	151.9	152.0	158.5
Dow Jones	131.62	133.58	125.26
Fisher's	162.0	162.0	168.5
Monthly Indices			
Retail (Feb.) †	161.6	161.0	159.5
W'sale (Jan.)	157.1	156.8	159.3
U. S. (Nov.)	151.6	152.2	163.9
Gt. Brit. (Dec.)	240.4	239.7	220.6

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Bond Tenders

12 noon, Mar. 23, 1950. Government of Canada Treasury Bills, payable June 23, 1950, $75,000,000, dated Mar. 24, 1950.

Investment Trust

	Bid	Ask.
Affiliated Funds	4.28	4.64
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	5.05	5.50
Can. Invest Corp.	8.25	8.75
Corporate Invest.	8.96	9.68
Commonwealth Int.	3.72	4.09
Trans-Canada	14.50	....
Do B	....	14.85
Leverage Fund	2.68	2.95

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario)

Approximate quotations, 3 p.m., March 20, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask
Abenakis	3½	5½
Advance	3½	4½
Alexander	2½	3½
Ama Kir	6½	7½
Anna'que	†3½	4½
Arctic	6½	8
Argonaut	1½	2½
Barber N	2	3
Beacon	60	65
Beaulieu	1½	2
Beauriv	1½	2½
Bi Ore	18	23
Biroco	*12½	14
Blondor	1½	2½
B McDade	*7	10
Bour C	4½	6
Bouzanne	7	8
Braminco	17	21
Bright RL	2½	3
Bulldog	19	22
Burley PO	†2	3
Camlaren	3½	5
Camray	7	9
Captain	2	3
Cassidy	2	3
Cent Man	†5	6
Cock	1½	2½
Columbier	2	3
Con Chib	13	16
Con Cop	7	8
Craibbe	4	5
Croydon	1	2
Cuyuni N	28	32
Delhi	5	8
Derlak	4	5
De Sant	3½	5
Dick'son	23	25
Doris	2	3
Durham	7	9
Echo Ind	2½	4
El Bonanz	†4½	6½
Elmac	2½	3½
Erin Kirk	2½	3½
Erndale	5½	7
Flicka	1½	2½
Forty For	..	90
Gan Cop	2½	4
Geneva L	2	5
Glencona	6½	7½
Golpac	7	10
Gov Gold	3	5
Grd Chib	35	42
Greenlee	4	6
Grndhog	..	16
Habitant	2	3
Halden	3	5
Harker	*3½	5
Hornfault	*10	12
Hu Pam	23	25
Independ	*8	10
Insco	4½	6
IslePin n	16	20
Jerome	22	25
Kamlac	†21	25
Ken Bay	4	6
Kenda Pe	9	11
Kirk GG	2	2½
Lar-Add.	†5	6
La Salle	2½	3½
Lassie	4½	5½
Lavalie	3½	4
Lennie	1½	2½
Lk Expa	†6	7
Lower Can	4½	5½
Marbenor	14	15
Mallen RL	5	6
Mar Bird	3	4
Marquette	2½	4
Mary An	9½	11
Mat Con	37	39
Mate Yel	2½	3½
McManus	6	7
Metalore	5½	6
Miles RL	4	6
Mindus	9	11
Mink	2	4
Mistassini	*3½	5
Mohawk P	2½	3
Murmac	5½	6½
Nat Mal	73	78
Nat New	7½	8½
New Aug	†14½	16
Newcore	12	14
New Mal	3	4
Nickel L	2½	3½
N Offsets	115	135
Nisto	†22	25
NoAcme	140	150
Norbeau	110	120
Norbec	9	11
Norcourt	2½	3½
Norford	1½	2½
Normar	2½	3½
Novele P	2	4
Obalski O	6	8
McCuaig	3	4
do '45	17	19
Obaska	9	10
Oklepd	7	8
Olivet	1½	2½
Opemiska	†21	23
Ortona	4	5
Pascalis	13	16
Payne	3½	5
Pelangio	*4½	5
Phelps	1½	2½
Presdor	1½	2½
Privateer	12	17
Pro Div's	14	16
Quejo	5	6
Que SR	52	56
Quest	1½	3
Rand M	†16	19
Randona	2½	3
Raymond	1½	2½
Redruth	2	4
Redwood	6	7
Rhyolite	1	2
Richgroup	4½	6
Russet	5	7
Salmita	†2½	3
Santiago	8	9
S Dufault	5	..
Sepha	3	4
Sheldon	†11½	13
Silv Arro	3	5
Skynner	2	3
Snow L	2½	3½
Starlight	1	3
Sunbear	2½	3½
Thornhill	1	2
Tobico	3	4
Vinray	2	3
Viking	15	18
Walcoro	5	6
Wesley	1	2
West RL	1½	2½
Y Davids	20	23
Yelknife	190	..
do vt	135	..
OILS		
Crusader	†19	23
Franco	†57	62
Garrison	135	145
Granleduc	8	12
Home Oil	11½	12
Jupiter	18	21
Lingnora	3½	4½
Major Oil	2½	3
Nw Ranch	2	3
Pac Oil R	3	4½
Princess	37	39
Vermilion	26	29
West Lock	4½	5½

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.50	Apr. 1	Mar. 1
Do. pfd.	.37½	Apr. 1	Mar. 1
Acadia At. Sug. A	.25	Apr. 1	Mar. 11
Aluminum Co. pfd.	.25	Jun. 1	May 3
Am. Cyanamid	†.62½	Apr. 1	Mar. 7
Do. pfd.	†.87½	Apr. 1	Mar. 7
Anglo Candn. Oil	.10	Apr. 11	Mar. 17
Asbestos Corp.	.30+.10	Mar. 31	Mar. 9
J. H. Ashdown A	.15	Apr. 1	Mar. 10
Assoc. Tel. & Tel. $6 pf.	†1.50	Apr. 1	Mar. 1
Do. 7% pfd.	†1.75	Apr. 1	Mar. 1
Auto Fabrics A	.15	Apr. 1	Mar. 15
Do. B	.10	Apr. 1	Mar. 15
Bk. of Nova Scotia	.35	May 1	Mar. 31
Beatty Bros.	.25	Apr. 1	Mar. 15
Beaver Lumber A	.25	Apr. 1	Mar. 10
Do. pfd.	.35	Apr. 1	Mar. 10
Bela. Cort.	1.50	Apr. 1	Feb. 28
Do. pfd.	1.75	Apr. 1	Feb. 28
Belgium Glove	.15	Apr. 1	Mar. 15
Do. pfd.	.25	Apr. 1	Mar. 15
Bell Telephone	.50	Apr. 15	Mar. 15
Biltmore Hats	.10	Apr. 15	Mar. 31
Do. A	.25	Apr. 15	Mar. 31
Bralorne M	.10	Apr. 15	Mar. 24
Brantford Cord. A	.25	June 1	May 4
Brazilian Tr. pfd.	1.50	Apr. 3	Mar. 15
Brewers & Dist.	.25	June 1	Apr. 29
Do.	.25	Sep. 1	July 31
B. A. Assur.	1.88	Apr. 1	Mar. 24
B. A. Oil	.25	Apr. 1	Mar. 7
	0.234375	Apr. 1	Mar. 7
B. C. Electric 4% pf.	1.00	Apr. 1	Mar. 15
			Coup. 12-xc-Mar. 30
Do. 4¾% pfd.	1.19	Apr. 1	Mar. 15
			Coup. 6-xc-Mar. 30
B. C. Power A	.40	Apr. 15	Mar. 31
B. C. Tel. 1st pfd.	1.50	Apr. 1	Mar. 17
Do. 2nd pfd.	1.50	May 1	Apr. 15
Do. 4¾% pfd.	1.18¾	Apr. 15	Mar. 31
Brockville Tr. & S.	.62½	Apr. 1	Mar. 20
Building Products	.40	Apr. 1	Mar. 9
Burlington Steel	.25	Apr. 1	Mar. 10
Burns Co. A & B	.40	Apr. 28	Apr. 7
Do. A & B	.40	July 28	July 7
Do. A & B	.40	Oct. 28	Oct. 7
Caldwell Lin.	.20	May 1	Apr. 15
Do. 1st pfd.	.37	May 1	Apr. 15
Do. 2nd pfd.	.20	May 1	Apr. 15
Calg. & Ed. Corp.	.05	Apr. 15	Mar. 10
Can. Bread B pf.	.62½	Apr. 1	Mar. 10
Canada Dry	†.15	Apr. 1	Mar. 15
Do. pfd.	†1.06¼	Apr. 1	Mar. 15
Can. Flooring B	.15	Apr. 1	Mar. 15
Can. Foils	.10	May 15	May 1
Do. A	.15+.20	May 15	May 1
Can. Iron Fdry.	.40	Apr. 15	Mar. 31
Do. pfd.	.30	Apr. 15	Mar. 31
Can. Life Ass.	5.00	Apr. 1	Mar. 31
Can. Nor. Power	.15	Apr. 25	Mar. 29
Can. Packers A	.75	Apr. 1	Mar. 1
Do. B	.25+.50	Apr. 1	Mar. 1
Can. Perm. Mtge.	2.25	Apr. 1	Mar. 15
Can. Starch	.25	Mar. 31	Mar. 24
Do. pfd.	3.50	Mar. 31	Mar. 24
Can. Steamship	.50	Apr. 15	Mar. 18
Can. Varnish pfd.	.31¼	Apr. 1	Mar. 20
Can. Bk. of Comm.	.20	May 1	Mar. 31
Candn. Brew.	.50	Apr. 1	Feb. 28
Candn. Bronze	.31	May 1	Apr. 10
Do. pfd	1.25	May 1	Apr. 10
Candn. Can.	.31¼	Apr. 1	Mar. 10
Do. 1st pfd.	.25+.05	Apr. 1	Mar. 10
Do. 2nd pfd.	.15+.10	Apr. 1	Mar. 10
Candn. Cel.	.50	Mar. 31	Mar. 14
Do. $1 pfd.	.25	Mar. 31	Mar. 14
Do. $1.75 pfd.	.43¾	Mar. 31	Mar. 14
Candn. Cot.	.70+.50	Apr. 1	Mar. 3
Do. pfd.	.30	Apr. 1	Mar. 3
Can. Fairbanks pf.	1.50	Apr. 15	Mar. 31
Candn. For. I. Corp.	.50	Apr. 1	Mar. 10
Candn. Food A	.25	Apr. 1	Feb. 28
Do. pfd	1.12½	Apr. 1	Feb. 28
Candn. Gen. Elec.	2.00	Apr. 1	Mar. 15
Can. Gen. Inv.	.22½+.21	Apr. 15	Mar. 31
Candn. Ind.	.20	Apr. 29	Mar. 31
Do. pfd.	1.75	Apr. 15	Mar. 15
Candn. Ice Mach. A	.20	Apr. 1	Mar. 15
Candn. Ing. Rand	1.00	Mar. 29	Mar. 15
Candn. Inv. Corp.	.10	May 1	Mar. 27
Do.	‡.50	Apr. 15	Mar. 10
Candn. Mot. Lamp	.15	Mar. 15	Feb. 25
Candn. Oil 4% pfd.	1.00	Apr. 1	Mar. 10
Do. 5% pfd.	1.25	Apr. 1	Mar. 10
Do. 8% pfd.	2.00	Apr. 1	Mar. 10
Can. Pac. Rlwy.	.75	Mar. 31	Feb. 24
Can. Refractories pf	1.12½	Apr. 15	Mar. 30
Candn. Silk A	.37½	Apr. 1	Mar. 1
Can. West. Lumber	.10	Apr. 15	Mar. 18
Do.	.10	July 15	June 17
Do.	.10	Oct. 16	Sep. 18
Can. West. Nat. Gas	2.35	Apr. 3	Mar. 27
Can. Westinghouse	.50	Apr. 1	Mar. 15
Can. Wirebound A	.37½	Apr. 1	Mar. 10
Carnation Co. pfd.	†.93¾	Apr. 1	Mar. 15
Cassidy's	.20	Apr. 1	Mar. 2
Do. pfd.	1.75	Apr. 1	Mar. 2
Celanese Corp.	†.60	Mar. 31	Mar. 17
Do. 1st pfd.	†1.18¾	Mar. 31	Mar. 17
Do. 2nd pfd.	†1.75	Mar. 31	Mar. 17
Celtic Knit.	.50	July 31	July 15
Cert. Can. Loan	2.00	Apr. 1	Mar. 20
Chartered Trust	.25	Apr. 1	Mar. 15
Cinzano 5½% pf.	.27½	Mar. 31	Mar. 15
Circle Bar Knit A	.50	Apr. 15	Mar. 31
Cockshutt Plow	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Confed. Life	2.00	June 15	June 10
Do.	2.00	Sep. 15	Sep. 10
Do.	2.00	Dec. 15	Dec. 10
Consol. Litho.	.50	Mar. 31	Feb. 28
Consol. Text. pfd.	.50	Jun. 1	May 15
Consumers Gas	2.00	Apr. 1	Mar. 15
R. L. Crain	.10	Apr. 1	Mar. 15
Cresc. Creamery pf.	5.00	Mar. 31	Mar. 15
Crown Trust	1.25	Apr. 1	Mar. 20
David & Frere A	.25+.75	Mar. 31	Mar. 15
Do. B	.50	Mar. 31	Mar. 15
Delnite M.	.02	Apr. 1	Feb. 20
Dome Mines	.17½	Apr. 29	Mar. 30
Dom. Bank	.25	May 1	Apr. 15
Dom. Dairies	.12½	Apr. 15	Mar. 31
Do. pfd.	.43	Apr. 15	Mar. 31
Dom. Foundries	.35	Apr. 1	Mar. 10
Dom. Glass	.25	Apr. 15	Mar. 28
Do. pfd.	.35	Apr. 15	Mar. 28
Dom. Malting	.25	May 1	Apr. 6
Do. pfd.	1.25	May 1	Apr. 6
Dom. Tar & Chem.	.25	May 1	Apr. 1
Do. pfd.	.25	Apr. 1	Mar. 1
Dom. Textile	.25	Apr. 1	Mar. 3
Do. pfd.	1.75	Apr. 15	Mar. 15
Donnacona Paper	.50	Apr. 1	Feb. 28
Do.	1.12½	May 15	Apr. 14
Donnell & Mudge	.25	Apr. 1	Mar. 20
East. C. Sav. & Loan	1.50	Apr. 1	Mar. 20
Eastern Tr.	.20	Apr. 1	Mar. 20
Easy Washing	.05+.05	Apr. 1	Mar. 15
Econ. Inv. Tr.	1.00+1.75	Mar. 24	Mar. 15
Estabrooks pfd.	.26	Apr. 15	Mar. 17
Evans Coleman A	.15	Apr. 1	Mar. 21
Do. B	.05	Apr. 1	Mar. 21
Famous Players	.25	[illegible]	Mar. 17
Fanny Farmer	†.37½	Mar. 31	Mar. 15
Fashion Craft pfd.	1.25	Apr. 1	Mar. 20
Fed. Fire Ins.	1.00	Aug. 15	Aug. 11
Foothills Oil	.12½	Apr. 1	Mar. 17
Found. of Can.	.35+.50	Apr. 21	Mar. 31
Fraser Cos.	.50	Apr. 24	Mar. 31
Do. pfd.	1.19	Apr. 1	Mar. 10
Gatineau Pwr.	.30	Apr. 1	Mar. 1
Do. 5% pfd.	1.25	Apr. 1	Mar. 1
Do. 5½% pfd.	1.37	Apr. 1	Mar. 1
Gen. Steel Wares	.25	May 15	Apr. 17
Do. pfd.	1.25	May 1	Apr. 3
Golden Man.	.05	Apr. 1	Mar. 10
Goodyear Tire	1.00	Apr. 1	Mar. 10
Grand & Toy	.15	Mar. 31	Mar. 21
Gt. Lakes Pap.	.25+.15	Mar. 31	Mar. 10
Do. pfd. A	.62½	Mar. 31	Mar. 10
Gt. West Felt pfd.	.12½	Apr. 1	Mar. 17
Gt. West Life	5.00	Apr. 1	Mar. 20
B. Greening Wire	.05	Apr. 1	Mar. 15
Gypsum, Lime A	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Ham. Bridge	.12½+.12½	Apr. 1	Mar. 15
Hamilton Cot.	.25	June 1	May 10
Harding Carp.	*.20	Apr. 1	Mar. 15
Hart Battery	.15	Apr. 6	Mar. 9
Hendershot Pap.	.25	Apr. 1	Mar. 24
Do. pfd.	2.50	Apr. 1	Mar. 24
Hinde & Dauch	.25	Apr. 1	Feb. 28
Holden Mfg. A	.15	May 1	Apr. 14
Hollinger Cons.	.06	Mar. 30	Mar. 2
F. W. Horner A	.12½	Apr. 1	Mar. 1
How Smith	.50	Apr. 29	Mar. 31
Do. pfd.	.50	Apr. 20	Mar. 31
Huron & Erie Mtge.	1.25	Apr. 1	Mar. 15
Imp. Bank	.30	May 1	Mar. 31
Imp. Tobacco	.12½+.12½	Mar. 31	Feb. 27
Do. pfd. 6%	3%	Mar. 31	Feb. 27
Do. pfd. 4%	.25	May 1	Mar. 21
Indust. Accept.	.50	Mar. 31	Mar. 3
Do. 4¼% pf.	1.06¼	Mar. 31	Mar. 3
Do. 5% pfd.	1.25	Mar. 31	Mar. 3
Do. 5% pf. $25 par	.31¼	Mar. 31	Mar. 3
Do. 5% pf. $32 par	*.20	Mar. 31	Mar. 3
Ingersoll M. & T. A	.12½	Apr. 1	Mar. 15
Do. pfd.	1.00	Apr. 1	Mar. 15
John Inglis	.10	Apr. 1	Mar. 17
Inter City Bak.	.20	Mar. 31	Mar. 15
Int. Bronze pf.	.37½	Apr. 15	Mar. 31
Int. Met. A	.50	Apr. 1	Mar. 10
Do. B	.50	Apr. 1	Mar. 10
Do. pfd.	1.12½	Apr. 1	Mar. 10
Int. Nickel	†1.75	May 1	Apr. 3
Int. Paper	†.62½	Mar. 27	Feb. 27
Do. pfd.	†1.00	Mar. 27	Feb. 27
Int. Power	.60	Apr. 15	Mar. 15
Do. 2nd pfd.	3.00	Apr. 15	Mar. 15
Invest. Found.	.40	Apr. 15	Mar. 15
Do. pfd.	.75	Apr. 15	Mar. 15
Jam. Pub. Ser.	.25	Apr. 1	Feb. 28
Do. pfd.	1.75	Apr. 1	Feb. 28
Jenkins Bros.	.25	Mar. 31	Mar. 17
Journal Pub.	.20	Apr. 15	Mar. 31
Kerr-Addison G. M.	.18	Mar. 28	Feb. 28
Kirkland L. G. M.	.02	May 1	Mar. 31
John Labatt	.25	Apr. 1	Mar. 15
La Luz M.	.05	Apr. 12	Mar. 10
J. A. Lang	.25	Apr. 1	Mar. 10
Laprairie pfd.	1.50	Apr. 1	Mar. 15
Lawson & Jones A	.50	Apr. 1	Mar. 15
M. Loew's	1.00	Mar. 31	Mar. 18
London Hose	.15+.40	Apr. 1	Mar. 15
W. M. Lowney	.25	Apr. 15	Mar. 15
H. R. Macmillan A & B	.12½	Mar. 31	Mar. 10
Mailman Corp.	.25	Mar. 31	Mar. 16
Man. Sugar pf.	3.00	Apr. 1	Mar. 15
Mar. I. & T.	.20	Apr. 15	Mar. 20
Do. pfd.	.17½	Apr. 15	Mar. 20
McCabe Gr. A	.15	May 1	Apr. 15
Do. B	.10	May 1	Apr. 15
McColl-Front. pfd.	1.00	Apr. 20	Mar. 31
Mersey Pap.	.50	Apr. 1	Mar. 4
Do. pfd.	1.25	Apr. 1	Mar. 4
Mid. & Fac. Gr.	.50	Aug. 1	July 15
Minas Basin	.50	Apr. 1	Mar. 15
Minn. & Ont. Pap.	†.37½	Apr. 25	Mar. 31
Minn., St. Paul & S.S. Marie Rly.	†1.00	Apr. 1	Mar. 15
J. S. Mitchell	1.00	Apr. 1	Mar. 15
Robt. Mitchell	†1.00	Apr. 15	Mar. 15
Do.	.50	June 15	May 15
Do.	.50	Dec. 15	Nov. 15
Mod. Containers A	.25	Apr. 1	Mar. 20
Molsons A	.20	Mar. 23	Mar. 2
Do. B	.20	Mar. 23	Mar. 2

Market Comment

What stocks and bonds are doing and what prominent observers say

Both Canadian and U. S. markets have broken out of their three-month trading range on the upside. Their ability to do this in the face of a widely awaited secondary decline speaks volumes for the underlying buying strength in the market. Implications are definitely bullish and a near-term assault on the Dow-Jones 1946 high of 213.36 (now 208.27) appears imminent.

Now at flood tide are the annual reports of Canadian business reporting on 1949 operations. Variations in earnings trend are wide and at the moment it would appear as if 1949 on the average will be off anywhere from 10%-15% from the record 1948 year. Actually, operations did not compare quite as well as earnings indicated in many cases, since a good many companies did not withdraw any reserve provisions from earnings this year as had been the case generally in 1948. Earnings, however, continue far ahead of prewar levels and where 1950 forecasts have been made they are far from gloomy.

New buying strength returned to the western oils this week sparked by Royalite and to a lesser extent Pacific Pete and Calvan Petroleums. These issues have been reflecting favorable results in drilling out of acreage acquired in the Redwater-Simmons area at the recent Alberta Government auction.

The amazing market record of the Interprovincial Pipe Line debentures which this week touched a high of $295 before reacting back to around $255-$260 has investment students unsuccessfully scanning back records to try to unearth anything that might parallel this move. The issue was offered six months ago at $100. Chief buying still is reported to be coming from New York and a large proportion of the holdings originally held in Canada have now disappeared south of the border. Company's announcement that it was seriously considering stepping up capacity of pipeline right away has considerably enhanced earnings prospects.

* * *

CRABTREE & MCLAUGHLIN (Montreal)

There is a wealth of market precedent for the rule that when the leading averages break emphatically out of a long and restricted trading range, the direction of the break-out points a trend worth following. In this case the industrials now appear to be headed for the 210 area, if not a test of the 1946 peak of 213.36. Whether or not the latter hurdle is topped before an intermediate reaction develops, the background continues to favor its ultimate eclipse by a substantial margin.

It speaks volumes for the dynamics motivating this bull market that the trend has turned up again when so many factors provided a logical excuse for a corrective reaction. Since early this year, the market has been laboring against fairly formidable obstacles. The virtually uninterrupted 45-point rise since last June had lifted prices to a historically high level where heavy supply was indicated from both profit-taking and "get-even" sellers, at a time when the March 15, U. S. tax-payment date as usual turned a considerable segment of the stockholding public into net sellers and accentuated the withdrawal of funds from the market.

That the market's response to this situation was a period of lateral hesitation rather than an appreciable corrective decline is proof of the solidity of the investment fundamentals now sustaining the bull trend.

* * *

WESTERN CITY CO. (Vancouver)

For the reason that the new bull market has pursued its upward climb for nine months without an important setback, there has been a growing conviction on the part of some professional traders that a technical correction is about due. So far the market has withstood profit taking and, in addition, absorbed short sales to the extent of nearly 2½ million shares. This is the largest short interest since the market bottom of May, 1932.

While this expanded short interest is of no importance over the long-term, it may be regarded as a favorable factor for the weeks to come. In the event of a break-out of the prevailing "line" on the downside, advantageous short covering likely would cushion the decline. On the other hand, if the market swings back into gear on the upside, shorts, endeavoring to minimize their vulnerability, would be forced to compete on an already accelerated volume of buying.

In view of the present technical position of the market, it would seem probable that if a secondary reaction is to occur, it should give away no more than a third of its recent gains. This would indicate adjustments to levels of around 192 for the Industrials and 52 for the Rails. If, however, the inevitable reaction is delayed and the market continues upward, the Industrial index may easily move into the 220-225 range and a reaction from there should, at most, retrace to present-day levels.

* * *

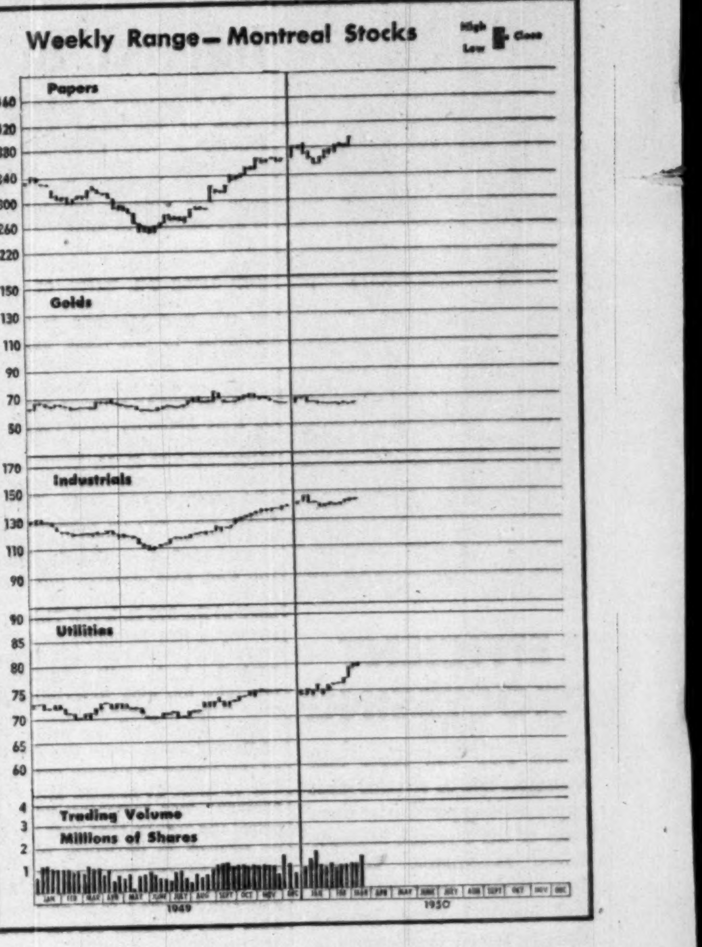
HUGH MACKAY & CO. (Saint John)

Unless the market is acting in a most peculiar fashion, it would appear that share prices are going to emerge from their recent "line" formation on the upside . . . . Of course, the market has a habit of doing just the opposite, so that the present might be an opportunity to take profits. However, we would be more inclined to the other alternative, that the market may be starting on the second leg of the bull market which started last June. The first move carried the averages up approximately 40 points, following which for the past two months there has been a period of "marking time." It would not be surprising to see the next swing take the industrial average to the 225-250 range.

* * *

BARRON'S: The Trader (New York)

For a bear market to develop, there must first be liquidating pressure in the shape of hardening money rates or a credit stringency, and, secondly, there must, in the fields of business or finance, be something to liquidate. With only $555 million borrowings, the stock market itself obviously requires no liquidation. With corporations at the end of last year holding cash and government bonds in excess of all current liabilities, business is just as obviously under no pressure suddenly to start liquidating in the midst of good times. Finally, for sustained selling of stocks to develop there must be demonstrably superior investment media, but as stocks still yield almost 2¼ times the return of high-grade bonds, it is difficult to demonstrate the superiority of the latter.



Company Meetings

1950	Company	Place
Mar. 23	Cap. Estates	Vancouver
Mar. 24	Corrugated Pap. Box	Leaside
Mar. 24	Nat. Brew.	Montreal
Mar. 24	Renold-Coventry	Montreal
Mar. 27	Bathurst Pr. & Pap.	Montreal
Mar. 27	Lapa Cadillac G.M.	Toronto
Mar. 27	Lexindin G.M.	Toronto
Mar. 27	Osulake	Toronto
Mar. 28	Can. Nor. Pwr.	Montreal
Mar. 29	Cons. Litho.	Montreal
Mar. 29	Can. N.W. Land	Toronto
Mar. 29	Cassidy's Ltd.	Montreal
Mar. 29	Gillies Lake	Toronto
Mar. 29	Leitch G.M.	Toronto
Mar. 29	Nat. Brew.	Montreal
Mar. 29	Tamblyn Ltd.	Toronto
Mar. 30	J. S. Mitchell	Sherbrooke, P.Q.
Mar. 30	Preston East Dome	Toronto
Mar. 30	Scarfe & Co.	Brantford
Mar. 31	Amalgamated Oils	Calgary
Mar. 31	Barymin Co.	Toronto
Mar. 31	Candn. Locomotive	Kingston
Mar. 31	Lake Shore M	Kirkland Lake
Mar. 31	Macassa M.	Toronto
Apr. 1	Blue Top Brew.	Kitchener
Apr. 3	Candn. Investors Corp.	Toronto
Apr. 5	Aunor G. M.	Toronto
Apr. 5	Coniagas M.	Toronto
Apr. 5	Fraser Cos.	Edmonton
Apr. 5	Sturgeon Riv. G.M.	Toronto
Apr. 12	Celanese Corp.	New York
Apr. 12	Crown Cork	Toronto
Apr. 12	Dom. Tar & Chem.	Montreal
Apr. 13	Abitibi	Toronto
Apr. 14	Auto Fabrics	Montreal
Apr. 14	Hallnor M.	Toronto
Apr. 14	Pamour Porc. M.	Toronto
Apr. 19	Candn. Cel.	Montreal
Apr. 19	Cap Estates	Vancouver
Apr. 20	Asbestos Corp.	Montreal
Apr. 20	Can. West. Lumber	Vancouver
Apr. 20	Montreal Tram	Montreal
Apr. 22	Western Grocers	Winnipeg
Apr. 24	Dome M.	Toronto
Apr. 24	London Can. Inv. Corp.	Montreal
Apr. 25	Mtl. Locomotive Wks.	Montreal
Apr. 26	Anglo-Candn. Oil	Calgary
Apr. 26	Int. Nickel	Toronto
Apr. 27	Ind. Accept. Corp.	Montreal
Apr. 27	Regent Knit. Mills	Montreal
Apr. 28	Hudson Bay M.	Toronto
Mar. 3	C.P.R.	Montreal
May 10	Int. Paper	New York

Dividends Declared (con't.)

	This payment $	Date payable	Date of record
Monarch Knit.	.25	Apr. 1	Mar. 10
Do. pfd.	1.12½	Apr. 1	Mar. 10
Mtl. City & Dist. Sav. Bk.	.35	Apr. 1	Mar. 1
Mtl. Locomotive	.40	Apr. 1	Mar. 13
Mtl. Telegraph	.50	Apr. 15	Mar. 15
Moore Corp.	.75	Apr. 1	Mar. 10
Do. A & B	†1.75	Apr. 1	Mar. 10
Do. 4% pfd.	.25	Apr. 1	Mar. 10
Murphy Paint	.20	Mar. 31	Mar. 15
Nat. Biscuit	†.50	Apr. 14	Mar. 7
Nat. Brew.	.50	Apr. 1	Mar. 10
Do. pfd.	.44	Apr. 1	Mar. 10
Nat. Grocers	.15	Apr. 1	Mar. 15
Do. pfd.	.37½	Apr. 1	Mar. 15
Nat. Hose. Mills A	.15	Apr. 1	Mar. 3
Do.	.15	July 1	June 2
Do.	.15	Oct. 1	Sep. 1
Do.	.15	Jan. 2	Dec. 1
Do. B	.40	Apr. 1	Mar. 3
Nat. Steel Car	.37½	Apr. 15	Mar. 15
Nat. Trust	.25	Apr. 1	Mar. 15
New Eng. Elec.	†.20	Apr. 1	Mar. 13
Niagara W. W.	.40	Apr. 1	Mar. 1
Normetal M.	.09	Mar. 31	Mar. 3
N. Star Oil pf.	.08¾	Apr. 1	Mar. 10
N. W. Brewing	.15	Mar. 31	Mar. 20
N. S. Lt. & Pwr.	.25	Apr. 1	Mar. 7
Obsco Ltd. pfd.	.25	Apr. 3	Mar. 20
Ogilvie Flour	.25	Apr. 1	Feb. 24
Ont. Loan & Deb.	1.25	Apr. 1	Mar. 15
Ont. Steel	.75	May 15	Apr. 14
Do. pfd.	1.75	May 15	Apr. 14
Pac. Coast Term.	.25+.12½	Apr. 15	Apr. 1
Page-Hersey	.50	Apr. 1	Mar. 15
Paramount Pict.	†.50	Mar. 29	Mar. 16
Paul Service Stores	.25	Apr. 3	Mar. 15
Penmans Ltd.	.75	May 15	Apr. 17
Do. pfd.	1.50	May 1	Apr. 3
[illegible]	[illegible]	Apr. 29	Apr. 1
[illegible]	[illegible]	Mar. 31	Mar. 17
[illegible]	[illegible]	Apr. 3	Mar. 1
[illegible]	[illegible]	Apr. 15	Mar. 20
[illegible]	[illegible]	Apr. 15	Mar. 20
[illegible]	[illegible]	June 1	May 10
[illegible]	[illegible]	Apr. 15	Mar. 15
[illegible]	[illegible]	Mar. 28	Feb. 28
[illegible]	[illegible]	Mar. 16	Mar. 3
[illegible]	[illegible]	Apr. 1	Mar. 10
[illegible]	[illegible]	May 25	Apr. 15
[illegible]	[illegible]	Mar. 31	Mar. 11
[illegible]	[illegible]	Apr. 1	Mar. 15
[illegible]	[illegible]	June 1	May 15
[illegible]	[illegible]	Sep. 1	Aug. 15
[illegible]	[illegible]	Dec. 1	Nov. 15
[illegible]	[illegible]	May 1	Apr. 15
[illegible]	[illegible]	Mar. 22	Mar. 21
Remington-Rand	†.25	Apr. 1	Feb. 9
Do. pfd.	†1.12½	Apr. 1	Feb. 9
Renfrew Text. A	.15	Apr. 1	Mar. 13
Renold Cov. A	.27+.05	Apr. 1	Mar. 15
Do.	.28+.05	July 3	June 15
Do.	.27+.05	Oct. 2	Sept. 16
Riverside Silk A	.50	Apr. 1	Mar. 15
Do. B	1.00	Apr. 1	Mar. 15
P. L. Robertson	.50+.50	Apr. 1	Mar. 20
Do. pfd.	.62½	Apr. 1	Mar. 20
Robinson Little	.20	Mar. 31	Mar. 15
Robinson Cot.	.10	May 1	Apr. 1
Russell Ind.	.25	Mar. 31	Mar. 10
Do. pfd.	1.75	Mar. 31	Mar. 10
St. Law. Flour	.40	May 1	Mar. 3
Do. pfd.	1.75	May 1	Mar. 3
Saguenay Pap.	1.06	Apr. 1	Mar. 13
San Antonio	.07	Apr. 15	Mar. 15
Sangamo	.17½	Apr. 3	Mar. 30
Schultz Die Cast pf.	.62½	Apr. 1	Mar. 15
Shawinigan W. & P.	.30	May 25	Apr. 15
Do. A pfd.	.50	Apr. 2	Mar. 2
Do. B pfd.	*.18¾	Apr. 2	Mar. 15
Sheep Creek M.	.02	Apr. 15	Mar. 31
Sherwin-Williams	.25	May 1	Apr. 10
Do. pfd.	1.75	Apr. 1	Mar. 10
Sick's Brew.	.30	Mar. 31	Mar. 1
Do. V.T.	.30	Mar. 31	Mar. 1
Silver Miller M.	*.05	Apr. 29	Apr. 1
Silverwood's Dairy A	.15	Apr. 1	Feb. 28
Do. B	.10	Apr. 1	Feb. 28
Silverw'ds. W. A. pf.	1.25	Apr. 1	Feb. 28
N. States	.45	May 1	Apr. 8
Do. pfd.	.53	Apr. 15	Apr. 3
Southam	.25	Mar. 28	Mar. 13
So. Can. Pwr.	.35	May 15	Apr. 20
Stadacona M.	.03	Apr. 15	Mar. 25
Stand. Pav.	.50	Apr. 1	Mar. 1
Do. pfd.	.62½+.50	Apr. 1	Mar. 1
Stand. Radio A & B	.10	Apr. 11	Mar. 20
Stedman Bros	.20	Apr. 1	Mar. 15
Steel of Can. N.	.20	May 1	Apr. 7
Do. pfd. N.	.20	May 1	Apr. 7
Sterling Tr.	1.50	Apr. 1	Mar. 15
Sun Life	5.00	Apr. 1	Mar. 16
G. Tamblyn	.25+.05	Apr. 1	Mar. 10
Do. pfd.	.50	Apr. 1	Mar. 10
Tay. Pear. & Car.	.20	July 3	Mar. 1
Thrift Stores	.25	Apr. 1	Mar. 15
Tip Top Can. A	.25	Apr. 1	Mar. 20
Tip Top Tail.	.15	Apr. 1	Mar. 1
Tooke Bros	.18	Apr. 3	Mar. 15
Tor. Gen. Tr.	1.75	Apr. 1	Mar. 10
Tor. Iron	.15	Apr. 1	Mar. 15
Do. A	.15	Apr. 1	Mar. 15
Tor. Mtge.	1.25	Apr. 1	Mar. 15
Traders Fin. A	.37½	Apr. 1	Mar. 15
Do. B	.37½	Apr. 1	Mar. 15
Do. pfd	1.12½	Apr. 1	Mar. 15
Tuckett Tob.	1.75	Apr. 15	Mar. 31
Twin City Rap. Tr.	†.62½	Apr. 1	Mar. 24
Union Gas	.12½	May 1	Apr. 6
United Fuel A	.75	Apr. 1	Mar. 9
United Steel	.15	Mar. 31	Mar. 17
Do. pfd.	.75	May 1	Apr. 14
Verney Corp. pf.	.37	Apr. 1	Mar. 15
Viau Ltd.	.23	Apr. 1	Mar. 20
Do. pfd.	1.25	Apr. 1	Mar. 20
Victoria Tr. & Sav.	1.75	Apr. 1	Mar. 15
Wabasso Cot.	.25	Apr. 1	Mar. 11
Waterous Ltd.	.10	Apr. 17	Mar. 31
W. Koot. Pr. & Lt. pfd.	1.75	Apr. 1	Mar. 15
West. Assur.	1.50	Apr. 1	Mar. 24
West. Grocers A	.50	Apr. 15	Mar. 15
Do. pfd	.35	Apr. 15	Mar. 15
Geo. Weston	.25	Apr. 1	Mar. 10
Willson Stat. pfd.	1.25	Apr. 15	Mar. 31
Wilsil Ltd.	.25	Apr. 1	Mar. 1
Woods Mfg.	.25	Mar. 31	Mar. 10
Wool Combing	.40	Apr. 10	Mar. 25
Wright-Harg. M.	.04	Apr. 1	Feb. 24

†American funds. *Initial. ‡Extra.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government Offerings of Corporation and Foreign Securities

DOMINION

Government of Canada Treasury Bills—Due June 9, 1950. $75,000,000, issued Mar. 10, 1950. Sold at $99.87230 to yield .513%.

PROVINCIAL

Province of New Brunswick—3½% sinking fund debentures, due Apr. 1, 1967. $7,500,000. Dated Apr. 1, 1950. Offered at $99.50 and accrued interest to yield 3.54% by Nesbitt, Thomson & Co. Ltd., Gairdner & Co. Ltd., Greenshield & Co. Inc., L. G. Beaubien & Co., Ltd., Burns Bros. & Denton Ltd., James Richardson & Sons, Stanbury & Co. Ltd. and J. C. Mackintosh & Co. Ltd.

MUNICIPAL

School District No. 5, Creston, B.C.—3¾% and 3½% debentures, due Dec. 1, 1950-59-69, $320,000. Issued Feb. 20, 1950. Sold at $100 to McMahon & Burns Ltd.

Elgin School District No. 153, Manitoba—4% debentures, due Mar. 1, 1951-70, $72,000. Issued Feb. 27, 1950. Sold at $100.90 to Wood, Gundy & Co. Ltd.

School Commission of Filiatrault, P.Q.—3½% debentures, due Jan. 2, 1951-65, $45,000. Issued Feb. 27, 1950. Sold privately at $100.

School Commission of the Parish of Ste-Therese, P.Q.—3½% debentures, due Nov. 1, 1950-69, $34,700. Issued Feb. 27, 1950. Sold privately at $100.

Township of Weedon, P.Q.—3% debentures, due June 1, 1950-69, $22,000. Issued Feb. 27, 1950. Sold privately at $100.

Town of Leaside, Ont.—3% debentures, due Feb. 15, 1951-70, $175,000, issued Mar. 6, 1950. Sold at $97.85 to J. L. Graham & Co. Ltd. & Fairclough & Co.

School Commission of Town of Quebec-West, P.Q.—3% debentures, due Mar. 1, 1951-55, $225,000. Issued Mar. 7, 1950. Sold at $99.76 to McTaggart, Hannaford, Birks & Gordon Ltd.

Village of Chambly-Bassin, P.Q. — 2¾% and 3% debentures, due Jan. 1, 1951-60-65, $25,000. Issued Mar. 8, 1950. Sold at $97.53 to Wood, Gundy & Co. Ltd. and Candn. Bank of Commerce.

Town of Port Hope, Ont. — 3% and 3¼% debentures, due Mar. 15, 1951-55-65-70, $321,550. Issued Mar. 13, 1950. Sold at $102.08 to Fairclough & Co. Ltd. and Imperial Bank.

Goose Lake School District No. 1283, Roblin, Man. — 4% debentures, due Dec. 15, 1950-59, $40,000. Issued Mar. 13, 1950. Sold at $100.7856 to Osler, Hammond & Nanton & Co. Ltd.

School Commission of the Village of Riviere-des-Prairies, P.Q.—3% and 3½% debentures, due Dec. 1, 1950-54-69, $160,000, issued Mar. 13, 1950. Sold privately at $98.

Village of Shawinigan South, P.Q.—3½% debentures, due Feb. 1, 1951-62, $15,500. Issued Mar. 13, 1950. Sold privately at $100.

City of Winnipeg, Man.—3% serial debentures, due Apr. 1, 1951-60, $1,500,000. Issued Mar. 10, 1950. Sold at $102.671, cost basis 2.49% to Wood, Gundy & Co. Ltd., Royal Bank of Canada and Nesbitt, Thomson & Co. Ltd.

CORPORATE

Selburn Oil Co. Ltd.—5% ten-year debentures, $675,000, issued Mar. 13, 1950. Offered at $100 and accrued interest by Melady, Sellers & Co. Ltd., Burns Bros. & Denton Ltd. and Midland Securities Ltd.

British Columbia Electric—3½% first mortgage bonds, series E, due Mar. 1, 1975, $20,000,000. Dated Mar. 1, 1950. Offered at $99 and accrued interest to yield 3.56% by Nesbitt, Thomson & Co. Ltd., Wood, Gundy & Co. Ltd. and Societe de Placements, Inc.

Burns & Co. Ltd.—4% first mortgage sinking fund bonds, series "B," due May 1, 1963, $1,200,000. Dated Mar. 15, 1950. Offered at $99 and accrued interest by Dominion Securities Corp. Ltd., Nesbitt, Thomson & Co. Ltd., Bell, Gouinlock & Co. Ltd., Midland Securities Ltd., James Richardson & Sons, Cochran, Murray & Co. Ltd., Matthews & Co., R. A. Daly Co. Ltd., Houston, Willoughby & Co. Ltd.; Pemberton & Son, Vancouver, Ltd. and Tanner & Co. Ltd.

Industrial Acceptance Corp.—4% sinking fund debentures, due Apr. 1, 1969, $10,000,000. Issued Mar. 13, 1950. Offered at $100 by Greenshields & Co. Inc. and Wood, Gundy & Co. Ltd.

COMMON

Selburn Oil Co. Ltd.—337,500 common shares (no par value) offered at 10c per share by Melady, Sellers & Co. Ltd., Burns Bros. & Denton Ltd. and Midland Securities Ltd.

Palestine Economic Corp. of Canada Ltd. — $500,000 common stock. Offered at $100 per share (par value $100) by Palestine Economic Corp. of Can. Ltd.

British American Oil Co. Ltd.—400,000 common shares (no par value) offered at $26⅛ per share by Wood, Gundy & Co. Ltd., Dominion Securities Corp. Ltd., Gairdner & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Royal Securities Corp. Ltd., Nesbitt, Thomson & Co. Ltd., W. C. Pitfield & Co. Ltd., Jas. Richardson & Sons, Greenshield & Co. Inc., W. C. Harris & Co. Ltd., Mills, Spence & Co. Ltd., Bell, Gouinlock & Co. Ltd., Wills, Bickle & Co., Cochran, Murray & Co. Ltd., Midland Securities Ltd., L. G. Beaubien & Co. Ltd., Burns Bros. & Denton Ltd., Milner, Ross & Co., Fairclough & Co. Ltd., R. A. Daly Co. Ltd., Melady, Sellers & Co. Ltd., McTaggart, Hannaford, Birks & Gordon Ltd., Pemberton & Son, Vancouver Ltd., H. B. Housser & Co., Eastern Securities Co. Ltd., Western City Co. Ltd., Dominion Corp. of Canada, Collier, Norris & Quinlan Ltd., Tanner & Co. Ltd., Houston, Willoughby & Co. Ltd., Osler, Hammond & Nanton Ltd., Yorkshire Securities Ltd. and Hagar Investments Ltd.

New Highs & Lows

During the week ended March 18, 40 new highs were recorded among the general stocks on Canadian stock exchanges and nine new lows. In the mining group there were eight new highs and six new lows. In the western oil group there was one new high and three new lows.

GENERAL

New Highs—1950

Abitibi
Bathurst Pwr. A
Bruck Mills A
Candn. Celanese
Candn. Fairbanks
Can. Westinghouse
Capital Estates
Celtic Knit.
De Havilland 'A'
Distill.-Seagram
Dom. Electro.
Dom. Engineer.
Dom. Tar & Chem. V.T.
East Koot. Pr.
Do. pref.
Foundation Co.
Gt. Lakes Paper
Indust. Accept.
Do. 5% conv. p.
Do. 5% c.c. pf.
MacLaren Power
Robt. Mitchell
Mod. Contain.
Do. A
North Can. Mtge.
Powell River com.
Quebec Telephone
Royal Oak D. A
St. Law. Corp. 1st pref.
St. Law. Paper 1st pref.
Southmount
Stand. Chem. pref.
Steel of Can. pref.
Sun Publishing (Vancouver)
Taylor, Pearson & Carson of Can.
Traders Fin. A
Twin City com.
Union Gas
Walker, Hiram
Westeel Products

New Lows—1950

Bertram & Sons A
Cons. Press A
Lindsay, C. W. pf.
Molson Brew. B N.
Nat. Brew. com.
Nat. Grocers com.
St. Law. Flour
Steel of Can. C. N.
Weston, Geo.

MINING

New Highs—1950

Anglo-Huronian
Cons. Ansley
Kerr-Addison
Macassa
Osulake
Silver Standard
Silver Miller
Wellington

New Lows—1950

Band Ore.
Gold Beam
Hosco
Silanco
Sudbury Contact
Wekusko

OILS

New Highs—1950

Vulcan

New Lows—1950

Br. Empire
Polaris
South Brazeau

CANADIAN OIL COMPANIES reports record high consolidated net profit of $931,181 for 1949, up 4.9% from the 1948 figure of $887,408. Record demand produced all-time high sales of $33,818,436, including gasoline sales of 130,829,382 gallons, up 8%. President W. H. Rea states that indications point to further gains in demand in 1950. Net profit per gallon of gas averaged about .7c.

Increasing availability of oil from Alberta is being paralleled by a rise in consumption of petroleum products, he said.

Funded debt was reduced by $314,000 and inventory reserve increased by $72,000.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net income	$2,894,234	$2,538,594
Less: Deprec. res.	1,128,671	967,565
Bd. & deb int.	192,582	154,421
Inc. tax res.	641,800	529,200
Net profit	931,181	887,408
Less: Pref. divds.	250,000	250,000
Com. divds.	324,200	323,200
Surplus for year	356,981	314,208
Times Interest Earned:		
Before deprec.	15.03	16.44
After deprec.	9.17	10.17
Earnings per Share and Dividend Record:		
Preferred	$23.28	$22.19
Paid (8%)	8.00	8.00
Paid (5%)	5.00	5.00
Paid (4%)	4.00	4.00
Common	1.67	1.58
Paid	0.80	0.80

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$430,304	$781,148
Accts. rec.	1,860,127	1,630,247
Inventories	5,780,575	6,198,485
Total curr. assets	8,071,006	8,609,880
Misc. assets▴	3,944,243	2,254,800
Fixed assets	21,078,357	19,886,193
Total assets	33,093,606	30,750,933
Accts., etc., pay.	2,783,573	3,970,635
Taxes pay.	408,224	482,143
Total curr. liab.	3,191,797	4,452,778
Funded debt	6,426,000	4,500,000
Deprec. res.	10,951,893	10,109,519
Invent. res.	225,000	153,000
Mtge. pay. & def. liabs.	1,264,496	908,197
Capital stock	8,390,932	8,340,932
Surplus	2,643,488	2,286,507
▴Incl. ref. EPT	206,889	255,627
Working capital	4,879,209	4,157,102

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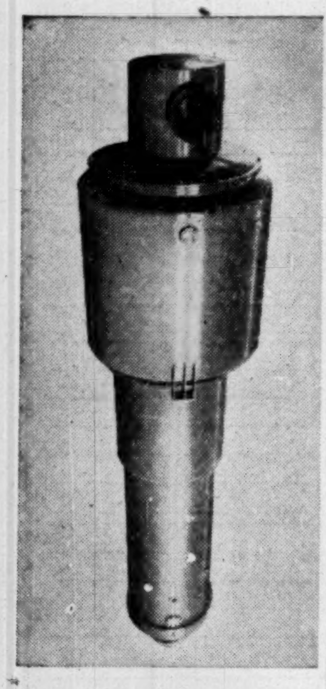

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Barnat North Zone "Millions" Spark Interest In New Malartic Structure

By GORDON M. GRANT

One of the most productive sources of ore news this year may be the big new Malartic north zone in which Barnat Malartic has already indicated $10 to $12 millions in gold.

It is possible that this zone may show increasing importance not only along 2½ miles of strike on the Barnat property itself but on the East Malartic and Rand Malartic to the east, and East Amphe to the west on strike.

Geophysical Finished

Of particular interest are plans of East Malartic with respect to the easterly extension of this new structure into E. M. ground. East Malartic has just had a geophysical survey run over Barnat's north zone and its extension into East ground. A report on findings is expected very shortly. Before the war, East Malartic put a long crosscut out toward the north zone at the 875 ft. level. This drive is only a few hundred feet away from the hot new north zone contact and will apparently not take too long to explore this area from underground.

East Amphi on the other side of Barnat some years ago disclosed ore bodies in diorite very similar to those at Barnat. The management was watching with interest the results that East Malartic secures in its work. No geophysical survey was ever run over the East Amphi ground. If East Malartic "clicks," it is quite possible that a similar survey would be run at East Amphi.

To the east of East Malartic, Rand Malartic, lying between East Malartic and Malartic Gold Fields, is another property which may conceivably get a new test if the current strategic work at East Malartic proves productive of results. It carries the favorable contact zone.

At the Barnat property, present north zone work is confined to a relatively short section along strike of the zone. But old surface diamond drilling showed ore intersections for a further 300 ft. to the east. To the west Sladen in its work, opened ore 1,900 ft. west of the section now getting attention.

Work on what is apparently the most important of the numerous ore bodies of the Barnat National north zone has indicated that the close spacing of diorite occurrences considerably expands the possibilities for developing substantial tonnages of high grade ore. It is apparent now that certain sections can be "massed mines"; other sections will give best results from selective mining. The importance of the over-all ore possibilities are such that current profits are being subordinated to a more complete disclosure of the ore picture in the north area. Reliance will continue to be placed on the National south and Sladen zones (with reserves exceeding 300,000 tons) while north zone program proceeds. At present it is not yet possible to make positive estimate of positive reserves for the north zone, partly due to the character of the ore structures. But the indicated over-all tonnage is getting impressive as outlined above.

East from the shaft crosscut, close to 400 ft. of ore is disclosed in the drift. A length of 250 ft. of low grade ore was followed by a short section below ore value and then a length of 113 ft. ran about 0.65 oz. over 17 ft. A raise on this continued in ore for over 200 ft. A recent drill hole put out from the raise has given indications of another shoot nearby.

On the westerly plunge of the high grade shoot from the 350-ft. level, the 525-ft. level shows a length of 60 ft. averaging $14.25 a ton over 32 ft. This zone is contained in a length of 700 ft. which carries continuous gold values.

Three Bodies on 725

Three important ore bodies have been demonstrated at the 725-ft. level. At the east end of the workings a length of 150 ft. returned car samples of 0.31 oz. over 17 ft. on slashing. A hole through the downward extension at a location 30 ft. to the west gave 0.32 oz. over 44 ft. There is diorite farther east with a length of 90 ft. of ore on the north contact.

To the west on this level, the downward extension of the main high grade shoot shows a length of 148 ft. averaging a quarter ounce over 30.9 ft. Immediately to the east of this zone is another 164 ft. averaging 0.166 oz. over 22 ft. A raise started in this section secured good ore when diorite was entered with values averaging 0.62 oz. for 80 ft. The extent of this zone has not yet been established on upper levels.

The 1,250-ft. level, an important ore area in its own right, is to be carried to the east.

The National No. 3 shaft is being extended from its previous bottom at 718 to 1,440 ft.; completion of this work will facilitate an expansion of north zone work.

Barnat's prosperity—and significance of the north zone — will undoubtedly have quite a bearing on the future of Sladen-Malartic Mines. Sladen has advanced approximately $600,000 to Barnat, receives $3,500 a month rental from Barnat for its 700-ton mill. If Barnat should choose to buy the mill, worth perhaps $800,000, Sladen might receive as much as $1.4 millions from Barnat, equivalent to 40 cents a Sladen share.

Sladen holds 2,184,996 shares of Barnat—56.75% of its issued stock—equivalent to .624 of a Barnat share for each Sladen share issued. In addition, Sladen holds 895,000 shares of Rand Malartic Mines, representing nearly 40% of that company's outstanding shares.

Clues to Malartic's north ore were secured many years ago. But it looks as if 1950 will be the year when this structure will secure its most thorough testing.

More Oil Cos. Entering B. C.

Hudson's Bay O. & G., B. A. Oil, Union of California, After Ground

From Our Own Correspondent

VANCOUVER — Three more large oil companies have applied for acreage and are planning to search for oil in British Columbia.

They are: Hudson's Bay Oil & Gas Co., British American Oil Co., and Union Oil of California.

Their applications cover more than one million acres in the northeastern section of the province, where the intensive oil search is spilling over from Alberta.

This brings the total area under permit, application or lease in B. C. to 6,896,666 acres.

Hudson's Bay has two areas both of 256,000 acres above Fort Nelson. B-A has 256,000 acres at the confluence of the Fontas and Sikanni Chief Rivers, south of the Hudson's Bay land. And Union has the same acreage near the boundary just north of the Orsborn River.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

WAITE - AMULET MINES realized a net profit of $5,137,938 or $1.56 a share in 1949 including $1.30 a share in dividends from Amulet Dufault Mines in which Waite owns one share for each of its own issued shares. This compared with $1.90 a share in the previous year.

On a consolidated basis, earnings were equal to $1.32 a share in the latest year.

The East Waite shaft has reached a depth of 550 ft. and it is expected to be the end of the year before shaft sinking is completed with sufficient work done to determine size and grade of the new ore body.

In the main mine area, preparations are being made to sink a winze 600 ft. below the 1,000-ft. level to mine a further narrow ore body located by diamond drilling below and to one side of "A" ore body and to enable further exploration in this area.

Combined ore reserves of Waite and Amulet Dufault dropped by close to half the 453,174 tons of ore milled during the year, Amulet Dufault reserves dropping from 1,364,000 to 1,102,000 tons. Mining of "F" ore body is expected to be completed about May 1 and mining of the new lower grade "C" ore body will commence later in the summer.

In addition to $4,120,133 working capital, Waite-Amulet shows $5,426,687 invested in affiliated companies at the end of 1949 aside from the holding in Amulet Dufault Mines carried at $1.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Metal recov.‡	$4,034,725	$2,479,623
Less: Oper. costs	2,906,173	1,551,110
Other exp.	7,240	8,600
Net earnings	1,121,312	919,913
Less: Deprec.	37,911	27,469
Tax prov.	235,463	237,812
Add: Subs. divds.	4,290,000	5,610,000
Net profit	5,137,938	6,264,632
Less: Dividends	4,620,000	4,950,000
Surplus for year	517,938	1,314,632

‡Including miscellaneous income.

Earnings per Share and Dividend Record:		
Common	$1.56	$1.90
Paid	1.40	1.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$576,095	$671,427
Bonds & shares*	2,860,441	3,068,183
Demand loan	700,000	......
Accts. rec.	63,271	75,863
Metal due & in hd.	522,256	733,402
Stores§	538,338	462,847
Total curr. assets	5,260,401	5,011,722
Prep. & def. chgs.	20,336	21,931
Inv. affil. cos.	5,426,688	5,362,665
Mining props.	513,938	512,764
Plant & equip.†	436,231	267,532
Total assets	11,657,594	11,176,614
Accts., tax., etc., pay.	380,702	355,494
Am. Dufault Mines	759,566	843,574
Total curr. liab.	1,140,268	1,199,068
Conting. res.	156,764	134,922
Capital stock	3,506,374	3,506,374
Earned surplus	6,854,188	6,336,250
*Market value	2,868,556	3,084,819
†After depr. of	2,371,615	2,265,234

§Incl. in deferred assets in co's report.

	1949	1948
Working capital	4,120,133	3,812,654

OPERATING STATISTICS

	1949	1948
Tons milled	453,174	422,785
Average contents:		
Copper, %	3.98	5.57
Zinc, %	5.76	4.60
Gold, oz.	0.032	0.044
Silver, oz.	1.50	1.52
Ore reserves, tons:		
Waite Mine	48,000	80,000
Amulet Dufault	1,102,184	1,364,404

DISCOVERY YELLOWKNIFE MINES reports February production, including cost-aid, of $62,000. Mill averaged 65 tons daily and produced 1,203 oz. gold. Mill heads averaged $26.18 per ton and recovery was 97%. Shaft sinking and stope preparation on two levels started at the first of the year. Station cutting is under way at the third level. A pilot hole, drilled from the shaft, intersected the nose of the North Zone dragfold vein at 60 ft. and cut 5 ft. of quartz assaying 8.10 oz., $311.85 per ton.

LA LUZ MINES realized a net profit of $128,885 or 9 cents a share the year ended Sept. 30, 1949, as against a loss of $13,458 a year earlier.

Steady progress was achieved during the early part of the year in the program of expanding milling capacity to 2,000 tons against an average of 1,415 tons daily milled in 1949. However, necessity of concreting a part of the shaft and replacement of timbering caused considerable delay to the expansion program, H. S. McGowan, general manager, reports.

An agreement is in "progress of consummation" for acquisition of the Potosi property previously held under option.

It is noted that no calls on shareholders have been necessary for the big expansion program undertaken. It is expected that the big crusher will be in service, following concreting of the shaft, about mid-1950.

INCOME ACCOUNT

Years Ended Sept. 30:	1949	1948
Bullion prod.	$2,386,320	$2,225,529
Less: Mkt. chgs.	79,467	74,880
Mining	854,206	832,227
Milling	575,941	534,674
Gen. & admin. exp.	255,255	328,260
Admin. exp. outside Nicaragua	84,778	75,745
Add: Invest. inc.	12,153	......
Prof. on secs.	6,053	......
Net earnings	554,879	379,743
Less: Depr.	137,192	124,011
Def. devel.	103,123	92,541
Depletion	103,123	92,541
Outside expl.	2,081	8,687
Nicaragua taxes	79,209	75,421
Exch. loss	1,266	......
Net profit	128,885	†13,458
Less: Divds.	72,721	......
Surplus for year	56,164	†13,458

†Loss or deficit.

	1949	1948
Earnings per Share	$0.09	d$0.01
Paid	0.05	....

CONDENSED BALANCE SHEET

As at Sept. 30:	1949	1948
Cash & bullion	$614,000	$531,977
Accts. rec.	77,300	49,651
Mkt. secs.†	1,117,078	1,194,238
Mat. & supplies	783,427	773,401
Total curr. assets	2,591,805	2,549,267
Prep. & def. chgs.	346,082	339,956
Development w/o	149,963	253,085
Invests.	354,127	565,280
Claims & props.‡	664,186	767,309
Plant & equip.*	1,680,719	1,326,594
Total assets	5,786,882	5,801,491
Bank loan	109,038	......
Wages pay.	18,715	13,507
Accts. pay. & accr.	118,772	118,920
Total curr. liab.	246,525	132,427
Capital stock	3,019,191	3,019,191
Surplus	2,521,166	2,649,873
*After depr. of	2,141,025	2,003,833
‡After depl. of	885,815	782,691

†Includes 296,600 shs. of Frobisher Ltd. 1948-49; 365,760 shs. of Eureka Corp. 1948-49; 594,000 shs. of Guayana Mines in 1948 and 544,000 shs. in 1949; 20,441 shs. Giant Yellowknife G. M. 1948-49; 22,735 shs. Falconbridge Nickel Mines 1948-49.

	1949	1948
Working capital	2,345,280	2,416,840

OPERATING STATISTICS

	1949	1948
Tons milled	515,616	462,705
Average recov.	$4.63	$4.81
Ore reserves, tons*	8,269,746	8,741,027
Grade ($35 gold)	$4.38	$4.34

*Not including possible ore reserves estimated at 10,194,545 tons, grade $3.19 in 1949; 9,522,057 tons, grade $3.19 in 1948.

Louvicourt Two Holes Click In a New Drilling Program

Louvicourt Goldfield Corp., an early postwar gold producer which missed success, is securing results in a program of drilling which officials hope will permit the company to make a comeback.

Out to the east of most advanced underground work on "C" zone, surface drilling has been returning some values which apparently give a hint that a better grade ore body, or a series of lenses, may be lurking in the neighborhood.

At a location 180 ft. east of "C" zone workings, a hole gave $16.32 over 1.8 ft. which would probably not quite make ore under present conditions. A further 500 ft. to the east, however, two further holes have been completed which suggest a chance for mining values of about $11 over 6 or 7 ft.

Hole S-81, the first one completed 500 ft. east of the $16.32 value hole, was put down at an angle of 45 deg. and gave a value of $16.13 over a width of 7.6 ft., including a central value of $63.91 over 1.8 ft. This intersection was at about 405 ft. depth.

After this hole was completed, a hole was started at an angle of 60 deg. to undercut the same section as the first hole at about 200 ft. greater depth. This hole deviated, however, but a value of $6.62 over 6.5 ft., including $19.25 over 2.3 ft., was secured about 40 to 50 ft. from the location of the first intersection. The drill has been moved closer and a hole is being put down at 72 deg. to secure the desired intersection 200 ft. deeper. After that it is expected a hole will be put down 50 ft. to the east, following which a hole may be put down 100 ft. to the west.

Louvicourt has been able to liquidate its debts with the 600-ton mill retained intact except for a few small items. If all options are exercised, the treasury could have in excess of $200,000 after allowing for the present drilling program.

New Financing For Norseman

A new financing program has been arranged for Norseman Mines which will place $15,000 in the treasury for further exploration if shareholders approve a one-for-two share reorganization at a special meeting, March 31, 1950.

It is planned to reduce issued capital from 4,565,000 to 2,282,500 shares by reducing present issued shares by 50% with a later increase in authorized capital to 4.5 million shares.

Federal Trading & Agency has agreed to purchase 100,000 reorganized shares at 15 cents a share and an option is proposed to Federal as follows: 200,000 shares at 15 cents a share, 200,000 at 20 cents a share and 300,000 shares at 30 cents.

Diamond drilling is being continued on the Norseman property adjoining East Sullivan at a location where a gravimetric profile indicated an anomalous high where a former magnetic survey had shown an anomalous low. Two further holes have been drilled in this area and another hole is now being drilled to test at 200 ft., greater depth.

STADACONA MINES (1944) has declared a dividend of 3c a share payable April 15, 1950, to shareholders of record March 25, 1950.

DOME MINES reports production for February of $480,119 from 53,000 tons milled, as against $473,196 for Jan., 1950 and $421,357 for Feb., 1949.

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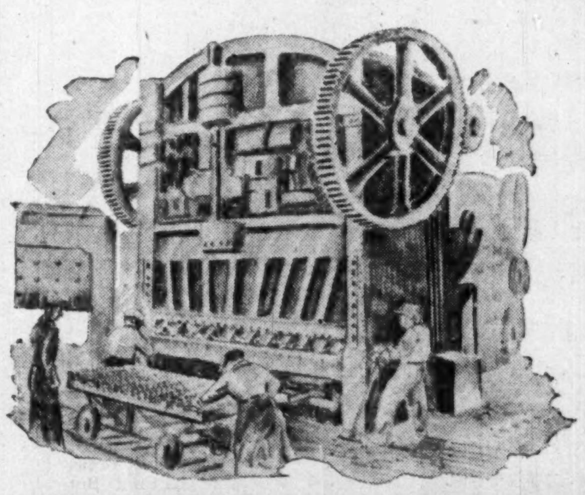

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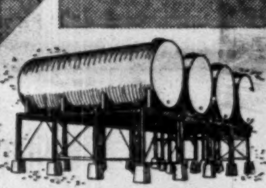

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PROGRESS REPORT

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The installation of the additional mill equipment is well under way and the initial objective of 225 tons daily should be reached by May 15th. The present daily rate is 100-110 tons.

The underground development of the North "C" Zone continues to open important new orebodies. Most of the work has been on the second level and here the 710 feet of zone opened to March 9th, has returned an aggregate length of 615 feet of ore averaging over 6 feet wide and grading over 0.50 oz. Development on the other three levels is confirming these results and there remains 750 feet of the vein to be explored to the property boundary.

For further information regarding this interesting property, write or phone

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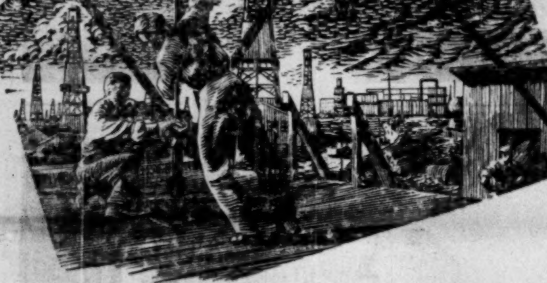

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MINING INVESTMENTS

Socialist Far Off Base On Steep Rock Facts

When C. H. Millard, national director of the C.I.O.'s United Steelworkers Union, charged in the Ontario Legislature last week that a considerable contribution had been made to the Steep Rock project by Canadian miners "working at substandard levels" and that a commission on sales of ore of $1.46 a ton or 28% was being paid to a United States firm, he seriously distorted the facts about a firm whose employees his union represents.

As a matter of record, wages of the Steep Rock enterprise are right up to the level paid by International Nickel Co. and among the highest in the country.

How Mr. Millard arrives at a commission of $1.46 a ton on ore is a secret known only to Mr. Millard himself. Actually, the commission — and discount — paid on ore sales do not amount to 25 cents a ton or are about one sixth of what Mr. Millard claimed.

The $1.46 a ton mentioned does come fairly close to the cost of transportation of ore, plus marketing costs.

Mr. Millard laid great stress in his speech on sale of Steep Rock shares at a cent a share. He failed to mention, however, that Steep Rock officials received in return a guaranteed market for their ore — and unlike gold, the market for iron is not automatic.

Because of the gigantic nature of the Steep Rock needs, the company had not been able to raise enough funds in Canada and had it not been for the timely aid of U. S. capital, this project might still be nothing but somebody's bush-country dream. The U. S. interests in putting up the money guaranteed a market which in return permitted the company to secure the all-essential loan from the U. S. Government.

* * *

Stockpiling Aids Zinc

Since last week's lift in the price of zinc by a quarter cent a pound to 10 cents, the market for this metal has been very active and firm with good quantities of all grades of zinc sold to domestic consumers in the United States.

An important factor in the present market for zinc is purchasing for the military stockpile. A total of 60 million lb. of zinc has been sought for the stockpile recently and about 24 million lb. of this is understood to have been acquired to date One of the types of zinc the stockpiling authorities want is special high grade zinc, but sellers are not expected to offer any of this because supplies have been insufficient for U. S. domestic requirements for a long time.

* * *

Kill Subsidy Bill

A Senate-approved bill to provide U. S. producers of copper, lead, zinc and other minerals a subsidy of $80 millions over a five-year period went down to defeat, 144 for. 166 against, in the U. S. House of Representatives late last week.

With Canada more and more dependent on U. S. markets for disposal of surplus non-ferrous metals' output, this turning of the cold shoulder to high cost U. S. metal producers was a development of considerable importance. It provides assurance—for the time being at least—that Canadian producers will not be forced to compete with inefficient subsidized output within the U. S.

Most Canadian mining companies feel that present non-ferrous metal prices are pretty satisfactory, permit reasonable profits to be realized. But U. S mining interests have been hammering at the theme that subsidy is necessary. It is even possible that some high-cost producers there have been continuing production in the hope that the subsidy bill would secure approval. If that is so, U. S. non-ferrous metal output may tend to contract, as marginal operators are eliminated with a stiffer U. S. demand for metals from Canada and other large-scale producers.

* * *

S. A. Golds Yield Well

South African gold shares in early part of this year worked into higher priced ground than the highest levels reached last fall when the United Kingdom devalued sterling.

What is exciting interest in "kaffirs" is prospect of a substantially higher level of dividend distributions being established by most producers next June. Yields will in many instances be far higher than those prevailing in Canada, considering indicated length of life for individual mines.

On basis of recent computations made in the United Kingdom, here are some anticipated yields:

	Est. yields S.A. golds* %	Est. life of mine in years*
Blyvoor	5.5	30
Con. Main Reef	12.9	15
East Geduld	8.4	20
Govt. Mines	12.8	12
Grootvlei	6.1	30
Modder East	13.3	12
Rand Leases	6.6	35
Randfontein	11.1	15
Simmer	12.0	20
S. A. Lands	7.3	20
Sub Nigel	13.8	12
Vlakfontein	10.0	40
Western Reefs	5.6	40

*Approximate.

But the yields have the odd drawback from the Canadian standpoint. South Africa has a 7½% withholding tax. For any companies incorporated in the United Kingdom, withholding tax would be 45% of all dividend payments.

Yields are calculated on the price in pounds in the London market. The ordinary Canadian resident, however, just can't rush out and buy such securities. While Canada is encouraging business investments in the sterling area, share purchases are extremely difficult. It would be necessary to find some other Canadian holder with U. K. securities with whom a "switch" could be arranged. The situation is comparable to the way in which a Canadian purchases New York stocks. But there are enough Canadians holding in New York stocks to make trading in New York issues quite simple. The same situation doesn't hold with respect to sterling issues.

A number of Canadians have been endeavoring to make arrangements to purchase kaffirs lately but without success. The question arises: With the desire to stimulate sterling area purchasing power, would Canada be well advised to permit Canadians to purchase sterling area shares without present restrictions?

BOYMAR GOLD MINES reports that by agreement dated March 9, McMarmac Red Lake Gold Mines has underwritten 100,000 shares at 10c a share and has optioned 400,000 shares at 10c to 25c a share. Upon issue of underwritten shares issued capital will be 2,153,341 shares, leaving 846,659 in treasury.

SURF INLET CONSOLIDATED GOLD MINES reports that subject to an increase in authorized capital to five million shares by creation of another two million shares, Wedlake Interests will purchase 200,000 shares at 7½c a share and will option 800,000 shares at 10c to 25c a share.

Noranda's Gaspe Can Be Mined On Profit Basis

"A large tonnage of low grade copper ore which can be mined at a profit but which will require a very substantial capital investment in order to bring it into production" has been located on the property of Gaspe Copper Mines controlled by Noranda Mines, and on adjacent Noranda ground, President J. Y. Murdoch confirms in the 1949 Noranda annual report. (The Financial Post, March 4, 1950).

During 1949, an additional seven million tons of ore were added at the Gaspe property averaging 2% copper, raising total to 48 million tons. In 1948 drilling had given six million tons averaging 1.8% while prior to the war 35 million tons had been outlined averaging 0.9% copper.

Bonetal's Ore Lengthens Out

Second Shoot Now 105 ft. Long — First 68 ft. Runs 2 oz. Uncut

With initial drifting on the new ore zone at the 970-ft. level of Bonetal Gold Mines returning high grade gold values, added weight has been given recently to the theory that the original shoot in this section would be but one of a series of recurring zones.

This new zone, which lies 80 ft. to the east and parallel to the original ore occurrence, has now been drifted on for a distance of 105 ft. and there has been disclosed a strong quartz vein some 4 to 5 ft. wide with subsidiary stringers in the walls.

For the first 68 ft. of length, chip sampling gives an average uncut grade of 2.06 oz. ($79.31) gold per ton or 0.58 oz. ($22.33) cut grade, across an average drift width of 8.3 ft. From 208 cars of muck, sampling gave an uncut grade of 1.08 oz. ($41.58) or 0.71 oz. ($27.34) cut grade. Cut grade is arrived at by reducing all assays above one ounce per ton down to that figure. Assay results from the remaining length of the drift are not yet available but succeeding rounds have been typical of the ore so far assayed.

Much the same as with the original zone, some very high grade ore with plenty of visible gold is contained in the main core of the vein, as can be seen from the following consecutive chip samples; 4 ft. of 4.5 oz.; 4 ft. of 0.49 oz.; 3 ft. of 1.26 oz.; 4 ft. of 5.35 oz.; 4 ft. of 3.50 oz.; 4 ft. of 5.05 oz.; 5 ft. of 2.25 oz. and 5 ft. of 8.45 oz.

The original zone, which was opened up by extending the 970 level drift from the adjoining Porcupine Reef workings, had a length of 321 ft. inside the Bonetal property which showed an average cut grade from muck sampling of 0.365 oz. ($14.05) across drift width of 7.6 ft. The last 165 ft. on the east end of that zone was well above the average grade for the whole length, running a cut average grade in muck sampling of 0.51 oz. or $19.64 per ton at $38.50 gold.

ASCOT METALS CORP. announces composite sample assays for 25 ft. of drifting in ore on the 4th level; north drift, 0.16 oz. gold, 5.44 oz. silver, 1.58% copper, 3.89% lead and 8.92% zinc; south drift 0.12 oz. gold, 2.52 oz. silver, 2.98% copper, 2.73% lead and 11.65% zinc. In a bulk sample of an offshoot from the hanging wall 0.06 oz. gold, 2.00 oz. silver, 10.88% copper, 7.12% lead and 18.76% zinc were secured. Fifth level assays were slightly lower, due to one heading encountering a lean section.

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Establish Gold Occurrence At East Sullivan Property

What is indicated as a new gold ore body entirely distinct from the other base metal ore bodies has been found at the property of East Sullivan Mines, a report by L. T. Postle, manager, suggests.

Two out of three holes through the new structure have returned commercial values in gold about 1,000 ft. east of the workings and drives are already being extended at the 600- and 1,050-ft. levels to investigate the new area.

A program of surface diamond drilling this winter turned up the new occurrence. Geological maps described the area to the east of the workings as the centre post intrusive which was considered to be an impervious mass of syenite porphyry. Little work had been done in the area, as most of the prospecting and drilling in the township had been done on the fringes of this mass rather than in its interior.

Underground work indicated the possibility ore bodies could persist into the porphyry and a surface diamond drilling program was laid out to drill cross sections across the property about 1,000 and 2,000 ft. east of the easternmost workings.

The second hole in the first section—Hole No. B-3—intersected an open shear partially filled with quartz; in the shear and immediately adjacent to it there is some fine sulphite mineralization largely pyrite with minor amounts of chalcopyrite. Fifteen feet of this intersection from 1,055 to 1,070 ft. assayed 0.494 oz. gold or $19.02. The hole was drilled from surface at a vertical angle of 50 deg.

Another hole B-6 was then drilled directly over No. B-3 in order to cut the ore at 200 ft. above No. B-3. The shear was encountered but there was less quartz present and the assays were very disappointing.

A fourth hole No. B-7 was started parallel to No. B-3 and 100 ft. to the east of it. The shear was intersected at about where expected and from 1,063 to 1,075 ft. the core length of 12 ft. assayed 0.384 oz. or $14.78, the company states.

From the information presently available the ore body should strike about east and west with a very steep dip as do the other ore bodies on the property. There is about 1,000 ft. to go on both the 600- and 1,050-ft. levels to reach the area.

COMPANY REPORTS

SIGMA MINES (QUEBEC) treated a record tonnage of ore in 1949, realized a net profit of 58 cents a share (56 cents a share in 1948).

Ore reserves showed an increase of 5,600 tons to 1,422,200 tons after milling of 416,970 tons of ore during the year. Included in reserves is 501,100 tons of broken ore.

Average value of unbroken ore at the end of 1949 amounted to $8.33 a ton against an average ore grade of $6.83 a ton handled in 1949.

Bulk of development work was concentrated last year on the 7th to 16th levels with some ore included in reserves for each level of the mine.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion production	$2,559,345	$2,417,460
Less: Oper exps.	1,932,884	1,821,222
Net earnings	626,461	596,238
Add: Cost-Aid	180,000	160,570
Misc. inc.	30,352	29,602
Less: Prod. tax	30,000	28,000
Income tax	128,000	128,000
Depreс.	98,972	72,095
Net profit	579,841	558,315
Less: Dividends	500,000	450,000
Surplus for year	79,841	108,315
Earned per Share	$0.58	$0.56
Paid	0.50	0.45

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1949
Cash & bullion	$606,732	$432,285
Govt. bonds (cost)*	1,000,168	1,000,167
Accts. rec.	40,636	46,082
Cost-Aid assist.	81,167	75,219
Mat. & supplies	263,182	286,290
Total curr. assets	1,991,885	1,840,043
Prep. & def. chgs.♦	17,298	25,762
Outside expl.	94,801	93,701
Claims & props.	422,400	422,400
Bldgs. & equip.▲	206,924	274,292
Total assets	2,733,308	2,656,198
Accts. & wages pay.	153,858	166,347
Res. for taxes	93,657	98,363
Contingencies res.	......	20,000
Divd. pay.	250,000	250,000
Total curr. liab.	497,515	534,710
Capital stock	1,000,000	1,000,000
Surplus	1,235,793	1,121,488
▲After depr. of	1,834,767	1,736,139
♦Incl. ref. EPT	......	5,000
*Market value	1,027,500	1,005,125
Working capital	1,494,370	1,305,333

OPERATING STATISTICS

	1949	1948
Tons milled	416,970	403,155
Average recov.	$6.14	$5.92
Ore reserves, tons	1,422,200	1,416,600
Grade ($35 gold)	$7.58	$7.42

OSC Options

Details of mining and oil financing arrangements have been released by the Ontario Securities Commission as follows:

CONSOLIDATED SILVER BANNER MINES — By agreement dated Feb. 6, 1950, M. Axmith purchased 200,000 shares for $10,000 and received an option on a further two million shares at 7½c to 75c a share. Authorized capital is 5.5 million shares of which 1,104,851 issued (932,862 escrowed). Accepted for filing March 8, 1950.

MARWOOD MINING CORP.—Amending statement filed to cover acquisition of additional property and an engineer's report to cover same. Accepted as amended filing March 8, 1950.

ORBIT URANIUM DEVELOPMENTS—C. R. Jenner & Co., optionee, has exercised his option on all shares up to and including 47,000 shares at 10c. Revised and extended option now provides that optionee shall take up shares to the value of $3,000 per month May 1 to Dec. 1, 1950 inclusive, to the value of $7,500 by April 1, 1951, and to the value of $3,000 monthly thereafter from May 1 to Dec. 11, 1951. Failure to take up shares according to the terms of the option agreement terminates the options, ending on Feb. 15, 1952, in any event. Accepted as amended filing March 8, 1950.

ST. REGIS LEAD MINES — K. C. W. Mitchell, optionee, has taken down 157,231 shares under the option agreement and agreement is therefore in good standing and unexercised as to 592,769 shares. Accepted as annual refiling March 9, 1950.

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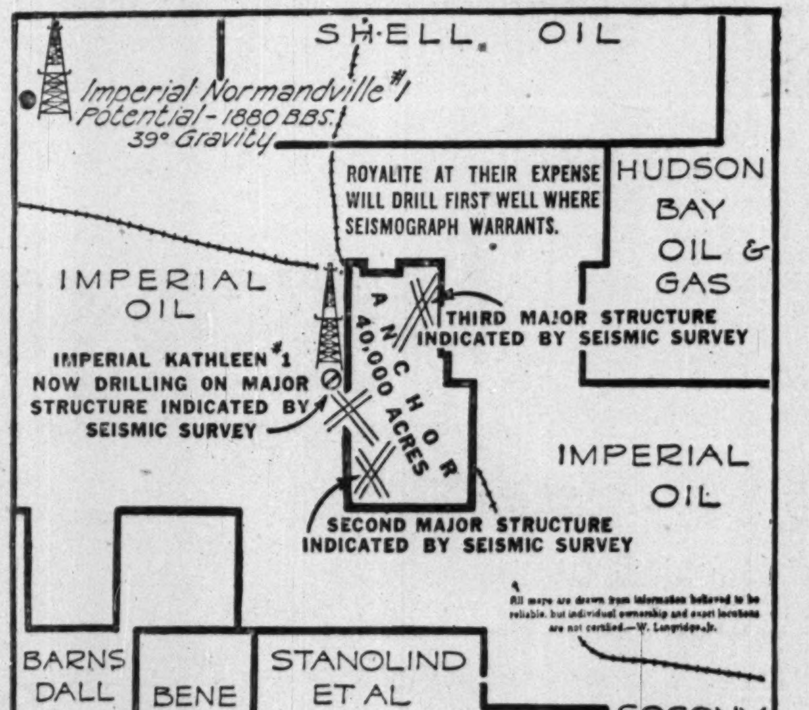
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0 5 10 15
MILES

Imperial Kathleen No. 1 Well, now drilling below 5,600 feet, is located on a structure of "major importance" indicated by a Seismograph Survey made by Imperial Oil Limited on both ANCHOR and IMPERIAL ground. The structure extends over acreage of both companies and in return for agreement to make a joint lease application in the event that oil production is obtained, the Imperial Oil Company agreed to drill the Kathleen Well entirely at its OWN expense to test the potentialities of the combined acreage block.

ANCHOR PROPERTY

Anchor Petroleums Limited, through its wholly owned subsidiary Toroil Limited, controls the Crown Reservation of approximately 40,000 acres located about 30 miles south of Peace River Town, and ENTIRELY SURROUNDED, as will be noted on the map, by similar holdings of Imperial Oil Limited, including the site of the important Normandville discovery well.

IN PARTNERSHIP WITH ROYALITE

Late in 1949, following overtures made to the Anchor Company by several of the largest and most successful companies in the Oil Industry, Anchor Petroleums accepted the proposal made by Royalite Oil Limited for joint development of the Anchor Reservation and providing among other arrangements for the drilling of an initial test well ENTIRELY AT THE EXPENSE OF ROYALITE on such seismic anomaly similar to that on which the Kathleen well is drilling as might be indicated by a Seismic Survey of the Anchor ground. It was subsequently arranged that this Survey would be done for Anchor and Royalite by Imperial Oil; and, though not yet completed, the survey has already revealed TWO OTHER structures on the Anchor property, also of "major importance."

PROFIT POTENTIAL

With only 3,000,000 authorized shares of $1 par value of capital stock, a comfortable treasury position, currently in excess of $80,000 cash, and with virtually no exploration expenditures required in view of the development commitments made by Imperial Oil and Royalite Oil, it is our opinion that the Anchor Petroleums situation is extremely unique, and offers the possibility of definitely spectacular profits for owners of Anchor Petroleums shares. Success in the next few weeks in the drilling of Imperial Kathleen No. 1 Well alone could "prove up" acreage on Anchor ground with a potential value up in the MILLIONS OF DOLLARS with equal and additional possibilities attaching to the company's acreage embracing the other two "major structures" located by the seismograph.

We consider ANCHOR PETROLEUMS shares at their current market level to be a speculation in Western Canada's oil development of outstanding merit and major profit potential.

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LONDON CALLING—*By Adelphi*

What Will France Say About An Alliance With Unarmed People of West. Germany?

LONDON—Londoners have discarded their overcoats and are sitting in the parks blinking in the sun. Summer has looked in on us just to see the trees in buds but we can hardly hope that it is here to stay.

Flat racing has started and this incorrigible race of gamblers who have been trying to forecast football winners all winter will now turn to the four-legged problem. The jumping season will end Saturday when the Grand National with its four and one half miles of hurdles, canals and other obstacles will attract a big field. Princess Elizabeth's horse will probably start favorite, and there will be great scenes if it wins.

* * *

There is to be a holiday petrol ration and if rumor is true the amount will be larger than last year. In addition the Treasury is easing up on travel to Europe. There is no limit now on the Sterling one can take to Sweden for holiday purposes, but of course, it must be for that purpose, and not for getting funds out of the country for investment.

It is expected that similar arrangements will be made for holidays in France, Belgium and Switzerland. The politicians and the newspapers still talk about the grave economic situation of the country, but the British are so used to crisis that it has become a ghost at the feast to which almost no one pays any attention.

* * *

Will Cripps Take Rest After the 1950 Budget?

Sir Stafford Cripps is now preparing his budget, but it is expected that when it is finished and the House adjourns for Easter he may retire for a year's rest. He looks completely worn out and has told the Prime Minister that he cannot carry the strain without a long rest.

Cripps is a man of great sincerity who believes that he alone could save the country from financial disaster but he has not the tough hide for politics. The slings and arrows do not bounce off his breast; they make him bleed. He will not be sorry when the time comes for him to retire from the arena.

* * *

The enigma of British politics is Clement Attlee. Nothing seems to worry him and he shows no signs whatever of fatigue. In a vote of censure debate the other night he had the whole House rocking with laughter as he pictured Churchill's approaches to the Liberal Party. "One moment he is Romeo wooing beneath the balcony. The next moment he is Petruchio taming the Shrew. Neither he nor the Liberal Party knows which it is going to be."

Then he turned from Shakespeare to Stevenson and caricatured the Tory Party as alternately under the influence of Dr. Jekyll and then Mr. Hyde—Churchill being Jekyll and Eden being Hyde.

There were rumors of a split between Churchill and Eden when the latter failed to turn up for the vote of censure debate but the mischief-makers were robbed of their fun. Eden was home in bed with a bad throat and a high temperature.

* * *

Churchill Raises Issue That France Must Face

This week Churchill set the pigeons flying in all directions when he suggested that Western Germany should be armed. Apparently it caught Attlee completely by surprise and he was very angry. Technically, Churchill was just within his rights, for the debate was defence, but Attlee claimed that a foreign affairs debate was the proper medium for such a pronouncement.

Undoubtedly this issue will have to be faced. A Western European military alliance with an unarmed Western Germany facing an armed Soviet-controlled Eastern Germany is fraught with danger. But what will France say? Three times in the memory of people still living France has been invaded by Germany. Now Churchill confronts France with a question that must be answered.

* * *

Meanwhile the world shrivels in size. This week a British jet plane made the flight from London to Rome in two hours. At this rate golfers in Vancouver will be able to fly to Halifax, play a round, and be back for dinner in good time. The only trouble will be about the time of day in Halifax. At any rate it is too far to go for a golf match, so let's drop the subject.

* * *

The biggest headache for the government is the case of Seretse Khama, ruler-designate of the Bamangwato tribe which adjoins the Union of South Africa. As you have no doubt heard this young African, as black as ebony, married a London typist who is presently to present him with a baby. She is with the tribe but he was summoned to London where the government has been handling him pretty roughly.

In fact the Minister of Commonwealth Relations told him that he could not return to his territory for five years, and that if he went there he would be turned away by the British authorities.

At this announcement the British public became very angry. There is an old saying that racial equality is a policy put forward by nations that have no color problem. The British have no such problem at home but they have it plenty in their African Colonies. Actually in the adjoining Union of South Africa mixed marriages are against the law.

The agitation, whipped up by the Press, grew to such dimensions that finally the Minister was challenged in the House of Commons. So he had to bow to the storm. Seretse Khama is going to be allowed to return for awhile, and the British Government will then "review the matter in relation to all relevant facts." There are moments in politics when official jargon can be very useful.

* * *

MP Groups Agitating For Return of the 'Cat'

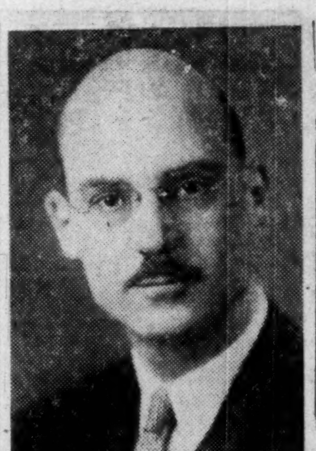
Another humanitarian storm concerns the increased number of brutal assaults on women by young criminals. It is a fact that in many districts women are afraid to go out at night.

Last year Parliament abolished corporal punishment in His Majesty's prisons although it restored hanging. No longer can the birch or the "cat" be used. But the magistrates and judges in passing sentence on young ruffians repeatedly deplore in public that they cannot add flogging to the sentence. Two groups of M.P.s, one Socialist and the other Tory, are demanding the return of corporal punishment. A third group of Socialists is fighting to keep the law as it is.

Two years ago a Governor of one of our largest prisons told me that he would like to see hanging abolished but the "cat" retained. The Home Secretary has done just the opposite. It is not an easy matter to decide but when two young fellows beat an old woman to insensibility it seems odd that their own bodies should be regarded as sacred.

* * *

It is raining now and there is thunder in the air. Perhaps summer has realized its mistake.



EDWARD C. WOOD

has been elected president, Imperial Tobacco Co. of Canada.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HUBBARD FELT CO. net profit for the year ended Nov. 30, 1948 was $30,602, off 41.6% from the previous year's $52,401. Decreasing prices and increasing cost of wool noils were coupled with extremely low prices for the company's chief competitor, fur felt hoods. President H. N. Haller stated that any advantages from devaluation were wiped out by price increases.

From June 30, 1949 to Dec. 15, 1949, price of wool noils increased 48% in sterling and 12% in terms of the Canadian dollar. From the end of 1946 to the end of 1949, the percentage increase has been 218 (sterling) and 143 (dollar).

INCOME ACCOUNT

Years Ended Nov. 30:	1949	1948
Net earnings	$65,556	101,398
Less: Depr.	18,585	17,946
Income tax	16,369	31,051
Net profit	30,602	52,401
Less: Cl. A divd.	18,750	18,750
Cl. B divd.	11,250	11,250
Common	......	15,000
Surplus for year	602	7,401
Earnings per share and Dividend Record:		
Class A	$2.45	$4.19
Paid	1.50	1.50
Class B	1.58	4.49
Paid	1.50	1.50
Common	0.02	0.75
Paid	...	0.50

CONDENSED BALANCE SHEET

As at Nov. 30:	1949	1948
Cash & Dom. bds.	$129,735	$148,249
Accounts rec.	55,703	49,040
Inventories	224,301	212,299
Total curr. assets	409,739	409,588
Misc. assets	1,207	2,413
Fixed assets*	138,241	146,209
Total assets	549,187	558,210
Accts. & tax pay.	81,689	87,170
Divd. pay.	15,000	22,500
Total curr. liabs.	96,689	109,670
General reserve	165,000	165,000
Capital stock	200,000	200,000
Earned surplus	87,497	83,540
*After depr. of	83,788	71,375
Working capital	313,050	299,918

BLUE TOP BREWING CO. net profit of $121,704 for 1949 was more than double the 1948 net of $54,327: President W. P. Renaud stated that the company plans to place a new product, New Yorker Lager, on the market in a few weeks.

Working capital fell from $1,650,510 to $1,062,683.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$259,087	$136,317
Less: Deprec.	70,330	52,469
Inc. tax res.	67,053	29,521
Net profit	121,704	54,327
Less: Cl. B divs.	768,656	......
Surplus for year	•646,952	54,327
•Deficit.		
Earnings per Share and Dividend Record:		
Class B	$2.22	$0.99
Paid	14.00	......

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. bds.	$733,698	$1,372,808
Accts. rec.	66,989	98,831
Invest.‡	140,134	......
Inventories	219,956	237,474
Total curr. assets	1,160,777	1,709,113
Prep. exp.§	9,711	14,781
Misc. assets▲	186,401	199,020
Fixed assets*	591,854	635,675
Total assets	1,948,743	2,558,589
Total curr. liab.	98,094	58,603
Capital stock	367,292	367,292
Earned surplus	1,483,357	2,132,694
*After depr. of	737,095	669,596
▲Incl. ref. EPT	80,909	107,772
‡Mkt. value	141,670	......
§Incl. in curr. assets in co's report.		
Working capital	1,062,683	1,650,510

CANADIAN BRONZE CO. net profit of $505,276 for 1949 was down 5.1% from the 1948 net of $532,289. Smaller sales were offset by increased efficiency in the plants.

To meet changing conditions, the company is entering the diesel locomotive field by producing parts suited to its facilities. In anticipation of additional equipment and plant facilities needed in this connection, $200,000 was transferred from surplus to contingency reserve.

President H. W. Tritt stated that the outlook is encouraging although volume of business may not attain that of the peak years 1948 and 1949. Industrial sales continue to expand. While business in the first quarter will be affected by the decline in carloadings due to weather conditions in the west and labor disputes elsewhere, this is expected to be recovered and if the railways resume their rehabilitation programs, the company will share in the business.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$888,076	$900,203
Less: Depreciation	47,800	47,914
Income taxes	335,000	320,000
Net profit	505,276	532,289
Less: Pref. divd.	37,500	37,500
Com. divd.	280,000	200,000
Surplus for year	187,776	294,780
Earnings per Share and Dividend Record:		
Preferred	$67.37	$70.97
Paid	5.00	5.00
Common	2.92	3.09
Paid	1.25+0.50	0.20+.025
Paid*	......	1.50
*Before 2-for-1 common stk. split, Oct. 30, 1948.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$333,962	$136,576
Call loan	150,000	......
Accts. rec.	682,419	979,036
Inventories	721,845	1,375,258
Investments†	770,894	349,404
Total curr. assets	2,659,120	2,840,274
Prep. exp.§	7,674	11,169
Misc. assets▲	89,704	156,308
Fixed assets*	858,703	881,859
‡**Total assets**	3,615,201	3,889,610
Bank loan (sec.)	......	175,000
Accts., etc., pay.	773,959	1,030,595
Taxes pay.	200,319	170,868
Total curr. liab.	974,278	1,436,463
Invent. & misc. res.	675,287	475,287
Capital stock	947,395	947,395
Surplus	♦1,018,241	1,030,465
♦After transfer of $200,000 to conting. res.		
*After depr. of	1,232,138	1,184,338
†Market value	799,488	372,625
▲Incl. ref. EPT	89,703	156,307
§Incl. in curr. assets in co's report.		
Working capital	1,684,842	1,403,811

WESTEEL PRODUCTS LTD. net profit of $1,143,119 for 1949 was slightly higher than the 1948 net of $1,109,080. Sales were at a record high.

Capital expenditures totaled $310,000 and included $40,000 spent to acquire a property adjoining the Montreal factory.

Unfilled orders at Dec. 31, were enough for high level operations for the first six months of 1950. Although competition is keener and some levelling off is anticipated, President G. W. Hutchins feels that operations will continue satisfactorily.

Supply of steel for the Canadian market remains unbalanced and, while sufficient tonnages are expected to keep the plants busy, the problem will be to secure the types for which there is the greatest demand in a more selective market.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,131,901	$1,925,528
Less: Deprec.	257,511	173,932
Bond interest	4,271	5,516
Income taxes	727,000	637,000
Net profit	1,143,119	1,109,080
Less: Divds. paid	442,679	354,116
Surplus for year	700,440	754,964
Earnings per Share and Dividend Record:		
Common	$9.68	$9.39
Paid	2.00+1.75	2.00+1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$553,846	$230,211
Accts. rec.	1,599,339	1,485,950
Inventories	2,823,897	2,419,583
Total curr. assets	4,977,082	4,135,744
Misc. assets▲	156,185	261,436
Fixed assets*	2,035,906	1,984,479
Total assets	7,169,178	6,381,639
Bank loan	95,574	72,696
Accts., etc., pay.	822,955	737,457
Taxes pay.	526,591	477,346
Total curr. liab.	1,445,120	1,287,499
Pension res.	117,811	138,357
Funded debt	150,000	200,000
Capital stock	1,450,000	1,450,000
Capital surplus	500,000	500,000
Surplus	3,506,242	2,805,803
*After depr. of	3,282,144	3,072,280
▲Incl. ref. EPT	109,079	204,647
Working capital	3,531,962	2,848,245

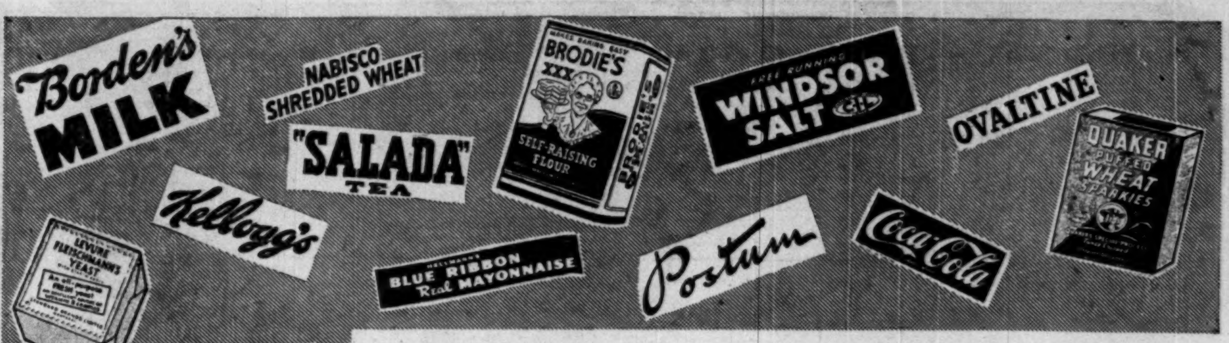
1,700-ft. Zone Gives Values For Rexora

A zone with a length of 1,700 ft. has been opened up by Rexora Mining Corp. on its property of 13 claims located 25 miles southeast of Kenora, Ontario, The Financial Post is informed. Fourteen grab samples are stated to have returned values of $2.80 to $102.20 a ton at $35 gold.

Permanent camps are stated to be under construction with a crew engaged in cutting lines in preparation for geological mapping under the direction of Finley A. Campbell, M.E., of Kenora, Ontario. The property is located within two miles of a paved highway and there is stated to be a possibility that a hydro-electric line will pass the company's property within six months.

WINNIPEG, Man., has sold a new issue of $1,500,000 3% serial debentures due April 1, 1951-60, to a syndicate headed by Wood, Gundy & Co. and including the Royal Bank of Canada and Nesbitt, Thomson & Co. The city received a price of 102.671 which is a cost price of about 2.49%. A total of six bids were submitted by syndicates for the issue. Proceeds will be used for local improvements. It is understood that the underwriters of the issue have placed it privately with investing institutions.

TOWN OF TISDALE, Sask. has sold a new issue of $86,000 4½% 30-year serial debentures, dated April 1, 1950 and due April 1, 1951-80, privately to James Richardson & Sons.



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